

# DAILY REPORT

*China*

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FOREIGN COMMUNIST LEADERS SEND ELECTION GREETINGS

OW231826 Beijing XINHUA in English 1553 GMT 23 Jun 83

[Text] Beijing, June 23 (XINHUA) -- More Communist Party leaders of foreign countries have sent messages of congratulations to the newly elected Chinese leaders.

Messages addressed to Li Xiannian, president of the People's Republic of China, were sent by:

Georges Marchais, general secretary of the Communist Party of France; Maxime Gremetz, member of the Secretariat of the party's Central Committee; Edward Hill, chairman of the Central Committee of the Communist Party of Australia (Marxist-Leninist); Fernand Lefebvre, chairman of Central Committee of the Marxist-Leninist Communist Party of Belgium; and Pierre Beauby, political secretary of the Marxist-Leninist Communist Party of France.

Edward Hill has also expressed congratulations to Peng Zhen, chairman of the Standing Committee of the Chinese National People's Congress, and Ulanhu, vice president of the People's Republic of China, on their election to their new posts.

Other Leaders Send Greetings

OW231910 Beijing XINHUA in English 1830 GMT 23 Jun 83

[Text] Beijing, June 23 (XINHUA) -- More foreign state and government leaders have sent messages of congratulations to the newly elected or appointed Chinese leaders.

Messages to Li Xiannian, president of the People's Republic of China, were sent by:

U San Yu, president of the Socialist Republic of the Union of Burma; Canaan S. Banana, president of the Republic of Zimbabwe; Mathieu Kerekou, president of the Central Committee of the Benin People's Revolutionary Party, president of the People's Republic of Benin, head of state and president of the National Executive Council; Obiang Nguema Mbasogo, president of the Republic of Equatorial Guinea; El-Hadj Omar Bongo, president of the Republic of Gabon; Ahmed Abdallah, president of the Islamic Federal Republic of Comoros; Daniel Arap Moi, president of the Republic of Kenya; Hassan Couled Aptidon, president of the Republic of Djibouti; Maumoon Abdul Gayoom, president of the Republic of Maldives; Reynaldo Bignone, president of the Republic of Argentina; Paul Losonczi, president of the Presidential Council of the Hungarian People's Republic; Todor Zhivkov, chairman of the State Council of the People's Republic of Bulgaria; H.M. Baudouin, king of the Kingdom of Belgium; Aneerood Jugnauth, prime minister of Mauritius; Sandro Pertini, president of the Republic of Italy; and Patrick J. Hillery, president of Ireland.

A message of Ulanhu, vice-president of the People's Republic of China, was sent by M. Hidayatullah, vice-president of India.

Messages to Peng Zhen, chairman of the Standing Committee of the Chinese National People's Congress, were sent by:

Antal Apro speaker of the National Assembly of the Hungarian People's Republic; Stanko Todorov, chairman of the National Assembly of the Bulgarian People's Republic; Dr Bal Ram Jakhar, speaker of the Lok Sabha of India; and Senator David Hamer, acting president of the Australian Senate.

Messages to Premier Zhao Ziyang were sent by:

U Maung Maung Kha, prime minister of the Socialist Republic of the Union of Burma; Indira Gandhi, prime minister of the Republic of India; Gyorgy Lazar, chairman of the Council of Ministers of the Hungarian People's Republic; Grisha Filipov, chairman of the Council of Ministers of the People's Republic of Bulgaria; Felipe Gonzalez, prime minister of the state of Spain; Amintore Fanfani, prime minister of the Republic of Italy; and Garrett Fitzgerald, prime minister of Ireland.

A message to Deng Xiaoping, chairman of the Central Military Commission, was sent by Mika Spiljak, president of the Presidency of the Socialist Federal Republic of Yugoslavia.

Gaston Thorn, president of the European Economic Community Commission, has sent a message of greetings to President Li Xiannian and Chedli Klibi, secretary-general of the League of Arab States, has sent messages to President Li Xiannian and Premier Zhao Ziyang.

#### FOREIGN FRIENDS SEND CONDOLENCES ON LIAO DEATH

OW231732 Beijing XINHUA in English 1556 GMT 23 Jun 83

[Text] Beijing, June 23 (XINHUA) -- A number of foreign friends have sent messages to mourn the death of Liao Chengzhi, vice chairman of the Standing Committee of the Chinese National People's Congress.

Messages were sent by:

Mirza Golam Hafiz, president of the Bangladesh-China Friendship Association; Han Suyin; Sol Adler and Put Adler; Howard H. Baker, Jr., majority leader of the U.S. Senate; Frank J. Fahrenkopf, Jr., chairman of the Republican National Committee of the United States; Orrin G. Hatch, U.S. senator; Ted Stevens, U.S. senator; and Professor Donald Carey Harrison, head of the cardiac department of the School of Medicine of U.S. Stanford University.

#### PRC DELEGATE ON STALEMATE AT UNCTAD SESSION

OW230925 Beijing XINHUA in English 0834 GMT 23 Jun 83

[Text] Belgrade, June 22 (XINHUA) -- Head of the Chinese delegation Li Ke called on the developed countries to respond positively to the proposals raised by developing countries at today's meeting of the United Nations Conference on Trade and Development (UNCTAD). He said negotiations on substantive issues have been bogged down because some major industrialized countries have adopted rigid attitudes on every issue and refused to make any compromise. He added that even the issues close to a solution have also been suspended. He called on the developed nations to adopt practical attitudes and make positive reactions to proposals put forward by the developing countries. He pointed out that the "political aspiration" of the developed countries "should not be empty." It should be guided by the spirit of "real cooperation and mutual understanding" with the developing countries. He said the current session "should end with an improvement of North-South relations and not the worsening of such relations; it should end with the promotion of the world economic recovery and economic development of developing countries and not the deteriorating of such crisis which will endanger world peace and security."

XINHUA REPORTER VIEWS UNCTAD SESSION IN BELGRADE

OW231426 Beijing XINHUA in English 1158 GMT 23 Jun 83

[Text] Belgrade, June 22 (XINHUA) -- "You developed countries have no sincerity, for which the Group of 77 feel sorry indeed," said an African representative to the U.N. Conference on Trade and Development (UNCTAD) to a representative from a developed country this morning while they were waiting for cars in front of a hotel at the centre of the city. The journalist witnessed this scene. This is a vivid reflection of the atmosphere prevailing at the UNCTAD meeting site at the Sava Center. The Sixth Session of the UNCTAD has entered into its third week. After two weeks of discussions and debates, there are still serious differences between the developing and developed countries on almost all major subjects, and no concrete results have been achieved so far.

The negotiations are deadlocked even on the question of how to assist the least-developed countries, which had been considered easy to agree upon. Delegates from developed countries, in their speeches, all admit that the world economic crisis is most heavily hitting the least-developed countries, whose economies are drastically declining and need special concern from the international community, but when concrete measures are discussed, certain economic big powers showed their true positions and rejected the just demand and reasonable stand of the Group of 77 in the draft resolution. Just as a Cameroonian representative has said, the developed countries' representatives have delivered beautiful speeches during the general debate, but things are different when it comes to substantial negotiations. What a big gap between their words and deeds. The developed countries adopted a delaying tactic from the very beginning. As early as April this year, the Group of 77 put forward a draft resolution on the subjects to be discussed at this UNCTAD session in the "Buenos Aires platform". The developed countries know this perfectly, and they held meetings before the UNCTAD session to coordinate their stands and studied their counter strategy at the summit of seven powers in Williamsburg. They expressed the wish to attend the UNCTAD session in the spirit of "understanding and cooperation". However, facts show that when the session entered the stage of negotiations, the developed countries not only vetoed the draft resolution of the Group of 77 in all the four committees, but also waited so long before coming out with their document of stand. After the document was put forward, a number of major developed countries with the United States at the head are taking a rigid stand and refusing to retreat even an inch on key issues, attempting to leave the meeting with no time to reach agreement on substantial issues and bring the session to its close after it adopts a statement of principles. Such an attitude of the developed countries cannot but arouse anger and discontent among the developing countries. Some medium-sized and small developed countries are also concerned over the lack of progress at the session.

An Angola representative told newsmen that it was really disappointing that the meeting had been proceeding so slowly. An African representative said angrily that they came to Belgrade not for holidays but for solutions to the serious problems facing the present world economy, especially the developing countries' economies and to help the process of establishing a new international economic order. Now there is not much time left for the meeting. In order to push the meeting to achieving positive results, the Group of 77 has reiterated their willingness to continue the negotiations in the "spirit of Buenos Aires". People will wait and see what attitude the developed countries are going to take.

INTERNATIONAL LABOR CONFERENCE ENDS IN GENEVA

OW231156 Beijing XINHUA in English 1118 GMT 23 Jun 83

[Text] Geneva, June 22 (XINHUA) -- South Africa and Israel were criticised for their policies of apartheid and expansion at the 22-day 69th International Labour Conference which ended here this afternoon.

The conference passed a report which reaffirms the necessity of measures against South Africa's apartheid policy and calls on member states to suspend their bank loans to the Pretoria regime. The report was prepared by the conference's commission of apartheid.

At the meeting, Israel's expansionist and racial policy was also condemned by many delegates. They called on the Israeli authorities to take effective steps to minimize the effect this policy inflicted on the labourers in Palestine and other occupied Arab territories.

The Geneva conference adopted a recommendation on social security and a convention concerning the disabled people's readaptation to new jobs and their employment. Under the rules of the International Labour Organization (I.L.O.), the convention will take effect only after being approved by its members. A resolution on jobs, also passed at the conference, requests the organization's governing body to prepare a draft resolution on the world employment planning in the light of the present adverse economic situation. The draft will be aimed at securing more support from all member states.

China has officially taken part in the I.L.O.'s activities from this conference and this was regarded by other member states as "a historic event" and "a milestone" of the organization. Zhao Shouyi, China's minister of labour and personnel, spoke at the conference and his deputy Li Yunchuan led the Chinese delegation at the meeting. The International Labour Conference is held annually in Geneva from June 1.

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PRC INTERNATIONAL AFFAIRS  
UNITED STATES

B 1

ZHANG JINGFU MEETS CHAIRMAN OF U.S. BANK

OW231352 Beijing XINHUA in English 1317 GMT 23 Jun 83

[Text] Beijing, June 23 (XINHUA) -- Zhang Jingfu, Chinese state councillor and minister in charge of the State Economic Commission, this afternoon met and had a friendly conversation with Willard Butcher, chairman of the Chase Manhattan Bank, U.S.A., and his party.

Jin Deqin, president of the Bank of China, was present on the occasion.

After arriving in Beijing yesterday, Mr Butcher and his party had business discussions with leading members of the Bank of China, the Ministries of Petroleum Industry and Finance, the People's Bank of China and the China International Trust and Investment Corporation.

ANTINUCLEAR DEMONSTRATIONS HELD IN U.S.

OW211129 Beijing XINHUA in English 1123 GMT 21 Jun 83

[Text] Washington, June 20 (XINHUA) -- Over 1,200 people were arrested and taken into custody by the police at peace demonstrations held throughout the country today.

Several thousand anti-nuclear campaigners protested outside various U.S. defense plants, including the birthplace of the Trident nuclear submarine in Groton, Connecticut, and the lab that hatched the MX missile in Livermore, California.

Today's demonstrations were part of an international campaign called the International Day of Nuclear Disarmament.

The campaign includes 60 events during the week, among them a peace march from Paris to Geneva and a demonstration in Tokyo.

WANG BINGNAN HAILS KIM IL-SONG SPEECH DATE

OW240634 Beijing XINHUA Domestic Service in Chinese 1426 GMT 23 Jun 83

[Text] Beijing, 23 Jun (XINHUA) -- In a statement today marking the 10th anniversary of the publication of President Kim Il-song's speech: "Let Us Prevent a National Split and Reunify the Country," Wang Bingnan, President of the Chinese People's Association for Friendship with Foreign countries, expressed strong support for the efforts made by the Korean Workers' Party and Government for the independence and peaceful reunification of Korea.

Wang Bingnan said: "On 23 June 1973, the Korean people's great leader President Kim Il-Song published the famous speech: 'Let us Prevent a National Split and Reunify the Country.' In this speech, President Kim Il-Song put forward a five-point program for the reunification of Korea: to remove the state of military confrontation and ease tension between the North and the South, to realize collaboration and interchange in various fields, to convene a great national assembly composed of representatives of the people of all strata, political parties, and social organizations both in the North and in the South to resolve the question of reunification of the country through consultation, to institute a North-South confederation under the single name of the state: the 'Confederal Republic of Koryo', and to join the UN as one country after the forming of the Confederal Republic of Koryo." Wang Bingnan said: "President Kim Il-song's speech reflects the strong aspiration of the Korean people for the re-unification of their motherland and expressed the Korean people's strong determination against the creation of two Koreas. The five-point program is fair and reasonable, and is in conformity with the cardinal interests and common desire of the Korean people. It contributes to the relaxation of tension in the Korean Peninsula and the realization of the independent, peaceful reunification of Korea. The program is welcomed and upheld by the entire Korean people and has the widespread support of the peace-loving countries and peoples in the world." Wang Bingnan said: "It has been 10 years since the publication of this speech by President Kim Il-song. During this period, the Korean Workers' Party and the government have worked unwaveringly for the realization of the five-point program. In 1980, President Kim Il-song again put forward a reunification formula, calling for the formation of a Democratic Confederal Republic of Koryo. However, because the United States continues to station its troops in South Korea and interfere in Korean internal affairs, and because the South Korean authorities suppress democracy and uphold the division, the reunification of Korea has not been realized. As a result, the Korean people have tasted to the full the agony and misfortune of national division."

Wang Bingnan said: "The division and the tense situation of confrontation on the Korean Peninsula today are the outcome of the policy of aggression and interference pursued by the United States. The fundamental way to solve the Korean issue lies in the complete withdrawal of the U.S. Armed Forces from South Korea and the termination of U.S. interference in Korea's internal affairs." Wang Bingnan said: "The Chinese people firmly support President Kim Il-song's speech. On 24 June 1973, the second day after the publication of the speech, Premier Zhou Enlai expressed a warm welcome to and firm support for the speech in a public statement. It represents the firm stand of the Chinese people. The Chinese and Korean peoples enjoy an extremely close, friendly relationship. The Chinese people have always been deeply concerned about the just cause of the Korea people for the independent and peaceful reunification of Korea. They firmly support the comprehensive package of the three principles of reunification, the five-point program, and the establishment of a Democratic Confederal Republic of Koryo put forward by President Kim Il-song.

They firmly support the genuine endeavor made by the Korean Workers Party and Government for the country's independent and peaceful reunification. The reunification of Korea is an irreversible trend of history that is in accordance with the will of the people and that no force on earth can stop. We are convinced that Korea, with its 3,000-li beautiful land, will be reunified and the Korean people in both the South and the North will ultimately be reunited. We sincerely wish for the early arrival of this day."

#### DPRK ENVOY'S PRESS CONFERENCE NOTES SPEECH

OW231124 Beijing XINHUA in English 1115 GMT 23 Jun 83

[Text] Beijing, June 23 (XINHUA) -- Chon Myong-su, ambassador of the Democratic People's Republic of Korea, held a press conference here this morning, calling for further efforts to reunify his country. The press conference, concerning a speech given by President Kim Il-song ten years ago, was held at the D.P.R.K. Embassy. The speech, entitled "Let Us Prevent a National Split and Reunify the Country", dealt mainly with five propositions put forward by the president for the independence and peaceful reunification of Korea. After providing a detailed account of the propositions, Chon Myong-su said that the Democratic People's Republic of Korea had made persistent efforts to realize these five propositions. He said Korea is still in a bisected condition, due to the obstacles constantly raised by the South Korea authorities and the interference of the United States. He urged the U.S. to stop interfering in Korea's internal affairs and remove all troops and weaponry from South Korea. The D.P.R.K. ambassador thanked China and other friendly countries for their support of the Korean people's struggle for independence and peaceful reunification.

#### CHEN MUHUA MEETS DPRK SCIENCE, TECHNOLOGY GROUP

OW231349 Beijing XINHUA in English 1322 GMT 23 Jun 83

[Text] Beijing, June 23 (XINHUA) -- Chen Muhua, state councillor and minister of foreign economic relations and trade, this afternoon met a scientific and technological cooperation delegation from the Democratic People's Republic of Korea.

The delegation will attend the 23rd Meeting of the Committee for Scientific and Technological Cooperation Between China and the D.P.R.K. The head of the delegation is Kim Ung-ho, chairman of the Korean section of the committee and vice-chairman of the State Scientific and Technical Commission of the D.P.R.K.

During the meeting, both leaders agreed to work harder to strengthen cooperation in science and technology.

Also present at the meeting were Dong Zhiyong, chairman of the Chinese section of the committee and vice-minister of forestry, and Chon Myong-su, ambassador of the D.P.R.K. to China.

#### VICE CHAIRMAN ZHU XUEFAN MEETS JAPANESE ACTIVIST

OW231158 Beijing XINHUA in English 1142 GMT 23 Jun 83

[Text] Beijing, June 23 (XINHUA) -- Zhu Xuefan, vice-chairman of the Standing Committee of the National People's Congress, met here this afternoon with Sadao Nakabayashi, an activist in the Japanese peace movement, and his party.

PRC DECIDES TO RELEASE 10 VIETNAMESE DETAINEES

OW240908 Beijing XINHUA in English 0853 GMT 24 Jun 83

[Text] Beijing, June 24 (XINHUA) -- The Chinese Government has decided to release six captured Vietnamese servicemen and four Vietnamese spies. The announcement was made by Zhang Dewei, deputy director of the Asian Affairs Department of the Chinese Foreign Ministry, here this afternoon when he met with Ho Han, charge d'affaires ad interim of the Vietnamese Embassy. Zhang Dewei said: "Khong Van Ngoc and five other Vietnamese armed servicemen were captured by Duong Tiung Thanh and three other Vietnamese spies were captured by the Chinese Public Security Department and frontier troops when they stole into China's Guangxi Region for reconnaissance and gathering intelligence." He said: "During trials, they pleaded guilty and confessed that they, dispatched by the Vietnamese authorities, intruded into Chinese territory and conducted activities hostile to China." Zhang Dewei said: "I was authorized to inform the Vietnamese side that out of humanitarian consideration, the Chinese Government has decided to release the above-mentioned ten Vietnamese detainees so that they may reunite with their families."

SRV AUTHORITIES TRADE OPIUM FOR FOREIGN CURRENCIES

OW232120 Beijing XINHUA Domestic Service in Chinese 1458 GMT 23 Jun 83

[Text] Beijing, 23 Jun (XINHUA) -- Conclusive evidence shows that the Vietnamese authorities have in the past few years grown opium poppies and produced opium in a planned way in the country's northern mountain areas in order to earn foreign exchange they need badly. Border residents are encouraged to smuggle drugs to neighboring countries. According to Vietnamese refugees and border residents, Vietnam officially ordered the growing of opium poppy in 1981. Ha Tuyen and other nothern provinces began trial planting of opium poppies in the latter half of 1981 with the approval of the Vietnamese Communist Party Central Committee and later expanded the area under poppy cultivation in a planned way. The government sets planting quotas, provides seeds, and purchases all the harvests. A Vietnamese refugee who fled to China recently provided a "circular urging early completion of preparations for opium poppy production in 1982-1983" issued in October 1982 by the Agriculture and Forestry Bureau of the People's Committee of Dong Van District, He Tuyen Province. This official document shows that the production of narcotics in the nothern areas of Vietnam is organized and managed by the Vietnamese authorities. The document says: "In order to carry out the decision of the Third Session of the Seventh People's Council of Dong Van District in 1982 on registration of expanded areas under opium poppy cultivation in 19 townships under the district's jurisdiction and to fulfill plans issued by the province," all the township governments must "actively urge all the cooperatives to carry out plans in real earnest." It is learned that responsible cadres of some localities in the northern areas of Vietnam said at meetings: "With the approval of the central authorities, beginning in 1982 Vietnam will devote major efforts to growing opium." "It will be grown by collectives and individuals," and "in all places suitable for cultivation." Many districts in the provinces of Ha Tuyen, Lai Chau, Hoang Lien Son, Cao Bang and Lang Son have grown opium poppies. The area planted in Dong Van District alone has reached more than 1,200 Vietnamese mu (equivalent to more than 430 hectares). Even Army units stationed there are growing opium poppies. Some districts even called meetings to exchange experience in poppy growing, commend "advanced units", and popularize "advanced experiences." The government awards peasant households who overfulfill their opium delivery quotas.

Vietnamese border residents quoted the Vietnamese authorities as saying that the purpose of engaging in narcotics production is to "earn foreign exchange and overcome difficulties." This policy of the Vietnamese authorities has resulted in growing drug smuggling and trading activities in the northern areas of Vietnam. Chinese frontier guards have captured many Vietnamese drug smugglers and a large quantity of drugs. In just the latter half of last year they seized more than 300 liang of opium illegally transported into Wenshan and Honghe Prefectures, Yunnan Province. Chinese border guard personnel point out that the northern mountain area of Vietnam is becoming a dangerous narcotics den. Because of its official charter, this narcotics production base is all the more seriously harmful to the international community.

RENMIN RIBAO CRITICIZES NGUYEN CO THACH 'FALLACIES'

HK240302 Beijing XHONGGUO XINWEN SHE in Chinese 0143 GMT 24 Jun 83

["RENMIN RIBAO Commentator's Article Refutes Nguyen Co Thach's Fallacies" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 24 Jun (ZHONGGUO XINWEN SHE) -- Vietnamese Foreign Minister Nguyen Co Thach recently again attacked China for "interfering" in Indochinese affairs, babbling that "the Kampuchea problem is mainly an issue between China and Vietnam" and "the question is mainly an issue between China and Vietnam" and "the question of total Vietnamese troop withdrawal can only be solved by China and Vietnam." RENMIN RIBAO publishes a commentator's article on this, which says that Nguyen Co Thach is attempting to use this argument to distort the essence of the Kampuchea issue, conceal Vietnam's ambitions for expansion in Southeast Asia, wreck the efforts of the ASEAN states to solve the Kampuchea problem, and overturn the UN General Assembly resolutions on the Kampuchea issue, so that the Vietnamese authorities may succeed in their bid to seize Kampuchea.

The article points out that the Kampuchea problem is certainly not, as described by Nguyen Co Thach, mainly an issue between China and Vietnam, but is an issue of aggression and opposition to aggression related to the overall world situation.

The article says that Vietnam's invasion and occupation of Kampuchea is for the purpose of rigging up an "Indochina federation," and, with this as the basis, proceeding to exercise hegemony in Southeast Asia. Out of their needs for building regional hegemony, the Vietnamese authorities have not stinted to introduce the military power of the Soviet superpower into Southeast Asia.

The article points out that the facts show that the Kampuchea issue is absolutely not a regional issue and still less an issue between China and Vietnam; it is in fact a major issue affecting the overall situation and related to the security of Southeast Asia and the peace of Asia and the world. As Thai Premier Prem Tinsulanon has specifically pointed out: "Vietnam's armed invasion and occupation of Kampuchea has become an international issue, and also the main obstacle to ASEAN's efforts to make Southeast Asia a zone of peace." Hence, in the past few years the UN General Assembly has passed numerous resolutions condemning the aggressive action of the Vietnamese authorities and demanding total Vietnamese troop withdrawal from Kampuchea. This precisely expresses the international community's common understanding of the Kampuchea issue. The ASEAN states vigorously support the just struggle of the Kampuchean people in resisting Vietnam, resolutely refuse to acknowledge Vietnam's seizure of Kampuchea as a fait accompli, and have made unstinting efforts to promote the implementation of the UN General Assembly's relevant resolutions and the declaration of the international meeting on the Kampuchea issue. This stand of the ASEAN states has been appreciated and supported by all peace-loving and justice-upholding states in the world.

The article says that the Kampuchean people's resistance struggle against Vietnamese aggression has already won great victories.

In addition to losing officers and men on the Kampuchean battlefield, the Vietnamese authorities have also become internationally more and more isolated. The Vietnamese authorities have repeatedly resorted to tricks in order to extricate themselves from their predicament, in an attempt to sow discord between China and the ASEAN states, and soften ASEAN's firm stand on the Kampuchea issue. Their argument that the Kampuchea problem is an issue between China and Vietnam is yet another deception they have resorted to in the new situation. However, as with their previous tricks of "partial withdrawal," "regional conference," and "dialogue between groupings," this trick of the Vietnamese authorities is doomed to fail.

COMMENTARY DENIES KAMPUCHEA IS PRC-SRV PROBLEM

OW232147 Beijing XINHUA in English 1916 GMT 23 Jun 83

[ "Commentary: Is Kampuchea a Problem Between China and Vietnam?" -- XINHUA headline ]

[Text] Beijing, June 23 (XINHUA correspondent) -- It was not without ulterior motives that Vietnamese Foreign Minister Nguyen Co Thach came out early this month with a misleading statement that Kampuchea is essentially a problem between China and Vietnam. It is known to all that the Kampuchean problem is entirely a result of Vietnam invasion. The newly refurbished statement of the Vietnamese authorities is nothing but part of their diplomatic drive following the failure of their dry-season offensive on the Kampuchean battlefield. The whole process of the Kampuchean problem presents a vivid illustration of the Vietnamese policy of expansion in Indochina and the rest of Southeast Asia. An established policy of the Vietnamese authorities regardless of their relations with China is to practise regional hegemony to control Laos, subjugate Kampuchea and then make aggression and expansion in the rest of Southeast Asia. Vietnam's aggression against Kampuchea was not at all a result of the deteriorating relationship with China. Rather, China's firm opposition to the Vietnamese authorities' policy of expansion has incurred their actions to aggravate the relations between the two countries. If China had taken a different position and tolerated the Soviet-backed Vietnamese moves to lord it over in Indochina and Southeast Asia, the Kampuchean problem and the situation in the whole Southeast Asia would have been more depressing. It is China's firm, principled stand to oppose hegemonism and defend world peace. It was but a vain attempt on the part of Thach to flaunt the banner of "improving Sino-Vietnamese relations" to deceive world public opinion and compel China to give up its principled stand. The purport of the Chinese offer made on March 1 for a solution of the Kampuchean problem was to urge Vietnam to pull out all its troops from Kampuchea. Only when Vietnam is resolved to withdraw all its troops and has actually begun doing so is it possible for China and Vietnam to negotiate the normalization of their relations. Now that Vietnam persistently refuses to pull out its troops, how is an improvement of Sino-Vietnamese relations possible? By alleging that Kampuchea is essentially a problem between China and Vietnam, the Vietnamese authorities represent China's support to the Kampuchean people's resistance to foreign aggression as an effort to establish its own "sphere of influence" and practise hegemony in Kampuchea. This is indeed the height of sophistry since Vietnam itself has dispatched 200,000 troops into Kampuchea, removed large numbers of Vietnamese residents to that country and made repeated incursions into Thai territory, whereas China does not seek self-interests, has not stationed a single soldier in Kampuchea, and has declared that the Kampuchean people should be allowed to decide the destiny of their own country once Vietnam pulls out its troops.

The Kampuchean people have not been the sole victims of the Vietnamese policy of aggression. The Kampuchean problem is not merely an issue between the Kampuchean people and the Vietnamese aggressors. What Hanoi has been doing in Kampuchea has gravely threatened security and stability in Southeast Asia. It is therefore only logical to view the Kampuchean problem as one between Vietnam and the other Southeast Asian countries, rather than one between China and Vietnam.

The Kampuchean problem involves the violation of the United Nations Charter and the international norm of conduct that no country has the right to invade or occupy another under one or another kind of pretext. The Vietnamese violation of the U.N. Charter and the international norm of conduct has met with strong condemnation by the international community. In the past four years at the United Nations, an increasing number of countries have expressed support for the U.N. resolutions calling for Vietnamese troops withdrawal from Kampuchea. The international concern over the Kampuchean problem is fully justified, because a solution of this problem has a close bearing on the maintenance of world peace and observance of the U.N. Charter. So we may say as well that the Kampuchean problem is an issue between the Vietnamese aggressors and the international community as a whole.

In the past four years, Hanoi has suffered one defeat after another on the Kampuchean battlefield and become increasingly isolated in the world. A statement like Thach's is all it wants to start a diplomatic offensive to obtain the following goals: firstly, to cover up Hanoi's occupation of Kampuchea and its threat to the security of the ASEAN countries and to diversify [as received] the international attention from the Kampuchean problem; secondly, to throw overboard the key to the Kampuchean problem -- an immediate and complete Vietnamese troop withdrawal while seeking dialogue with the ASEAN countries so as to shelve all U.N. resolutions on Kampuchea; and thirdly, to sow discord in the relations between China and the ASEAN countries. Hanoi knows very well that unity between China and the ASEAN countries is an obstacle to its military expansion in the region. History has witnessed many an aggressor fabricating charges of "threat" from another country. The Vietnamese version of "threat from China" is nothing new. It is only a trick played by the Vietnamese regional hegemonists to cover up their aggression against Kampuchea and their threat to the ASEAN countries.

#### KAMPUCHEA ISSUE NOT BILATERAL PRC-SRV DISPUTE

BK231442 Beijing in Cambodian to Kampuchea 1030 GMT 22 Jun 83

[Station commentator Ya Ming's commentary: "Denounce Vietnam's Irrelevant Allegation that the Kampuchean Problem is Basically a Problem Between China and Vietnam"]

[Text] Recently, while refusing to withdraw their troops from Kampuchea, the Vietnamese authorities stated that the Kampuchean problem is basically one between China and Vietnam. If we take a closer look at these remarks it will be easy to see that, in fact, they are the reprint of the so-called threat from China gimmick that Vietnam invented in the past.

How did the Kampuchean problem take place? The answer is obvious: Vietnam's aggression. If one wants to settle the Kampuchean problem, one should first see to it that Vietnamese troops are unconditionally and completely pulled out of Kampuchea.

For a long time the Vietnamese authorities have called black white by contending that they sent their armed forces into Kampuchea at the request of the Heng Samrin administration and only after the so-called threat from China is eliminated will they completely withdraw their troops from Kampuchea. They attempt to shift the blame onto China for their noncompliance with the UN General Assembly resolutions by refusing to withdraw their troops. Now, along with refusing to withdraw their troops, they still contend that the Kampuchean problem is basically a problem between China and Vietnam. It is true that the wording has been changed, but the intention of putting the blame on other people remains the same.

Vietnam's aggression against Kampuchea is in violation of the UN Charter and the fundamental principles of international relations and it has shattered the peace in Southeast Asia. The condemnation of Vietnam's aggression and support for the Kampuchean people's struggle against the aggressors by China and the ASEAN countries as well as all justice-upholding countries in the world constitute an act of pure justice. China has maintained an unprejudiced and clear stand regarding the Kampuchean problem. It does not in the least seek any personal gain out of it, nor does it want to make Kampuchea a part of its sphere of influence. The Chinese Government has repeatedly stated that after Vietnamese troops are completely withdrawn from Kampuchea, China will gladly join with other countries in guaranteeing that it will not interfere in Kampuchea's internal affairs in whatever form; that it will respect Kampuchea's independence, neutrality, and nonaligned status; and that it will respect the results of free general elections held by the Kampuchean people under the supervision of the United Nations. This position of China has been greeted and welcomed by the international community and has given Vietnam no opportunity to find an excuse in Chinese actions to refuse to withdraw troops from Kampuchea. And now Vietnam has come to allege that the Kampuchean problem is basically a problem between China and Vietnam, attempting to use this allegation to justify its refusal to withdraw its troops from Kampuchea. Such an act is worthless. Vietnam's aggression against Kampuchea has threatened the security of the region. The continual violations of Thai territory by Vietnamese forces clearly show that the ASEAN countries are the most threatened. Because of this fact, the ASEAN countries have resolutely supported the just struggle of the Kampuchean people against the Vietnamese aggressors, and have appealed to the international community to put pressure on Vietnam in all fields.

In order to free themselves from isolation in the international arena, the Vietnamese authorities have sought by all means to undermine the Sino-ASEAN relationship. They have alleged, for example, that the Kampuchean problem is basically a dispute between China and Vietnam, trying to make the ASEAN countries believe that in the Vietnamese aggression against Kampuchea, the most threatened country is China and not the ASEAN countries, and the ASEAN countries should not, therefore, be hostile to Vietnam. Such a trick is too simple to fool anyone. It is a matter of fact that Vietnam has committed aggression against Kampuchea and, fired by a gradually growing ambition, has made provocations at the Sino-Vietnamese border, threatening China's security. Since China is a big country, albeit currently busy with its modernization efforts, it will always be sufficiently strong to drive out the aggressors should Vietnam launch any large-scale aggression against China. However, should Vietnam expand into Southeast Asia, eliminating the buffer with the ASEAN countries by swallowing Kampuchea, what will the consequence be? Little imagination is needed. Vietnam is trying to lull the ASEAN countries into dropping their guard against its expansion and aggression and into softening their attitude regarding the Kampuchean problem by inventing the theory that the Kampuchean problem is basically a dispute between China and Vietnam. This should alert everyone to raise their guard.

RENMIN RIBAO ON DEMOCRATIC KAMPUCHEA GOVERNMENT

HK230905 Beijing RENMIN RIBAO in Chinese 23 Jun 83 p 6

[Commentary by RENMIN RIBAO reporter Wang Rongjiu: "A Year of Unity and Combat"]

[Text] The Coalition Government of Democratic Kampuchea, born in the battles against the Vietnamese aggressors, has experienced one year of extraordinary fighting as a banner of the Kampuchean people's unity in resisting Vietnamese aggression. One year ago, the Vietnamese authorities asserted that the Coalition Government of Democratic Kampuchea was a "castle built on a sandy beach" and would be broken down once the tide rose. However, the facts of the past year show that unity in resisting Vietnam is a general trend in Kampuchea, and that the Coalition Government not only continues to exist, but has also become stronger through withstanding various tests. In the political field, the Coalition Government of Democratic Kampuchea is carrying out the tasks laid down by the three cabinet meetings in a cooperative and consultative way. In the past year, under the general premise of struggling against Vietnam, the three factions of patriotic strength have coordinated their actions, ironed out differences, and consolidated their unity by seeking common ground on major issues while reserving differences in minor ones. In January and May this year, Prince Sihanouk, president of the Coalition Government, was warmly welcomed by soldiers and civilians in the liberated areas when he went there to inspect the situation. The prince joined leaders of other patriotic factions in discussing the strategy and tactics for fighting against the Vietnamese aggressors and for liberating the motherland. It is due precisely to the efforts of all the patriotic factions that the Coalition Government has managed to become increasingly consolidated and to bring about a gratifying situation of unity in resisting the aggressors.

In the military field, the Coalition Government is leading the Kampuchean people in various areas to fight the Vietnamese invading troops and to win one victory after another. In particular, in the first dry season after the founding of the Coalition Government -- the 1982-1983 dry season -- it successfully smashed the enemy's "dry season offensive" and withstood a stern test. During these fighting days, the three patriotic factions closely cooperated in the battles and cut the enemy's vanguard off from its rear. The failure of the Vietnamese Army in its "dry season offensive" indicates that its military offensive is now on the decline and that its attempt to undermine the unity between the Kampuchean patriotic forces with military pressure is doomed to fall through. The victory in frustrating the enemy's "dry season offensive" is of great significance in regard to the new-born Coalition Government and is also a great inspiration to the Kampuchean people in their anti-Vietnamese struggle. In the liberated areas under the control of the patriotic forces, this reporter has seen the high morale of the soldiers and civilians and their full confidence in the future. Every person asked by the reporter, whether an ordinary civilian or an armed soldier, expressed his full trust in and support for the Coalition Government. When Prince Sihanouk was inspecting an encampment in the Biandan [2078 2137] Mountains, the reporter saw that, though living conditions there are very hard, soldiers and civilians are still full of optimism and are fully confident of the victory of the anti-Vietnamese struggle. It is quite obvious to everybody that the Coalition Government of Democratic Kampuchea has achieved great successes on the diplomatic front. Following the decisive victory won at the UN General Assembly last year with regard to the seat of Democratic Kampuchea, leaders of the Coalition Government visited many countries of the world and won popular sympathy and support. What is the most significant is that Prince Norodom Sihanouk, chairman of Democratic Kampuchea, accepted credentials presented by ambassadors of six countries to Democratic Kampuchea on the land of Kampuchea on both 30 April and 10 May 1983.

This shows that the Coalition Government of Democratic Kampuchea has obtained increasing popular sympathy and support. Since the establishment of the Coalition Government of Democratic Kampuchea a year ago, people of Kampuchea have won tremendous victories in the struggle against Vietnam's aggression in the political, military and diplomatic fields. All of these things demonstrate that the just struggle of the Kampuchean people against Vietnam enjoys abundant support and is forging ahead. Although the Coalition Government of Democratic Kampuchea will continue to stand new tests, and the road ahead is by no means smooth, it will certainly play a greater role as the struggle develops, and its great vitality will be increasingly evident. No force on earth can extinguish the flame of the struggle of the united Kampuchean people for resisting Vietnam's aggression and liberating the motherland.

THAI SPORTS DELEGATION FETED IN BEIJING

OW221411 Beijing XINHUA in English 1353 GMT 22 Jun 83

[Text] Beijing, June 22 (XINHUA) -- A delegation from the Sports Promotion Organization Committee of Thailand was entertained at a dinner here this evening given by the Chinese Physical Culture and Sports Commission.

Present were Lu Jindong, vice-minister of the commission, and Chaun Piraman, first secretary of the Thai Embassy in Beijing.

Speaking at the dinner, Wu Zhongyuan, director of Propaganda Department under the commission, and Umpon Silpee, leader of the delegation, agreed that sports exchanges strengthened ties of friendship between China and Thailand and promoted the development of sports. They hoped that this cooperation would be further expanded. The Thai delegation arrived here yesterday for an on-the-spot survey of Chinese sports. They will go on to Shanghai, Hangzhou and Guangzhou after their stay in Beijing.

THAI-U.S. LOGISTICS EXERCISE CONCLUDES

OW220900 Beijing XINHUA in English 0836 GMT 22 Jun 83

[Text] Bangkok, June 22 (XINHUA) -- A week-long joint Thai-U.S. logistics exercise, conducted at Kanchanaburi Camp of the Ninth Infantry Division of the Thai Armed Forces, ended yesterday, it was reported here today.

Thai Prime Minister General Prem Tinsulanon presided over the closing ceremony of the exercise.

The exercise was designed to strengthen the Thai Armed Forces' capability to plan, receive and distribute material and equipment.

Speaking to local reporters after the exercise, Supreme Commander of the Thai Armed Forces Saibut Koetphon said: "Many Thai people still have a feeling that we would not be able to withstand a Vietnamese invasion. But after the exercise under the mock situation, we have become more confident of our defence capability."

'TEXT' OF YAO YILIN REPORT AT SIXTH NPC

OW240112 Beijing XINHUA in English 0103 GMT 24 Jun 83

[Text] Beijing, June 24 (XINHUA) -- Following is the full text of the report on the 1983 plan for national economic and social development delivered by Vice-Premier Yao Yilin to the First Session of the Sixth National People's Congress:

**Report on the 1983 Plan for National Economic  
and Social Development**

(Delivered at the First Session of the Sixth  
National People's Congress on June 7, 1983)

Yao Yilin

**Vice-Premier of the State Council and Minister  
in Charge of the State Planning Commission**

Fellow deputies, in November 1982, the State Council drew up the 1983 plan for national economic and social development, which was approved after examination by the Fifth National People's Congress at its fifth Session. Since then, all localities and departments have been organizing its implementation by our people of various nationalities.

Entrusted by the State Council, I now submit for examination and approval by this session a report on the implementation of the 1982 plan and on the main content of the 1983 plan and how it was carried out in the first five months.

#### I Implementation of the 1982 Plan

Actual implementation of the 1982 plan for national economic and social development was more satisfactory than anticipated, thanks to joint efforts by the people of all our nationalities.

Bumper harvests were brought in. Total agricultural output value came to 278.5 billion yuan, 11 percent over 1981 and for exceeding the planned growth rate of 4 percent. Although the sown acreage was reduced slightly, total grain output reached 353.43 million tons, 28.41 million tons more than in 1981; this represents an increase of 8.7 percent, or 6.4 percent over the peak figure achieved in 1979. On the basis of a large increase for two years running, total output of cotton went up by 21.3 percent, totalling nearly 3.6 million tons, or 630,000 tons more than 1981. Total output of oil-bearing crops reached 11.82 million tons, an increase of 15.8 percent, or 1.62 million tons more than in 1981. The output of both cotton and oil-bearing crops hit all-time highs, and that of sugar-bearing crops, mulberry silkworm cocoons, tea, pork, beef and mutton and aquatic products all surpassed the planned targets, registering substantial increases over 1981. The output of jute and ambari hemp was down by 15.9 percent compared with 1981. Diversified rural economy and household sideline production of commune members developed both extensively and intensively. The situation in agriculture as a whole was very gratifying.

There was an all-round growth in industrial production. Its total value came to 550.6 billion yuan, registering a 7.7 percent increase over 1981 and exceeding the scheduled growth rate of 4 percent.

Of the 100 major industrial products, 91 reached or surpassed the state output plan. The value of light industrial production went by by 5.7 percent, failing to reach the planned target of 7 percent. This was due mainly to reduction in the output of synthetic polyester-cotton fabrics in line with the changes in market demand. The production of other light industrial goods, however, grew rather substantially. For example, the output of bicycles, sewing machines, colour TV sets, household washing machines, tape recorders and other durable consumer goods grew anywhere from 24 to 100 percent compared with 1981; the output of cotton cloth, woolen and silk fabrics, sugar, paper and detergents also increased somewhat. In heavy industry, the stagnation and decline of the previous two years ended, and output value rose by 9.9 percent, far exceeding the planned target of 1 percent. The output of coal reached 666 million tons, up 7.1 percent over 1981; of this, the output of coal under unified central planning was 350 million tons, rising by 4.4 percent. The output of crude oil was 102.12 million tons, up 0.9 percent, and that of electricity 327.7 billion kWh, a growth of 5.9 percent. There was also a considerable increase in the output of steel products, cement, glass, acids, alkalis, plastics, power-generating equipment, mining equipment and walking tractors. The departments of railway, water and road transport, civil aviation and post and telecommunications all overfulfilled their plans; and the needs of transporting major goods and materials and passengers were basically met.

A number of large and medium-sized construction projects and projects for equipment renewal and technical transformation of enterprises were completed and put into operation. A total investment of 84.5 billion yuan in fixed assets of state-owned enterprises was carried out; of that sum 55.5 billion yuan was for capital construction and 29 billion yuan for equipment renewal, technical transformation and related programmes. A total of 116 large and medium-sized projects was completed and put into operation, 37 more than in 1981. Also completed were 48,000 projects, each with an investment of 50,000 yuan or more, for equipment renewal, technical transformation and related programmes. This was 13,000 more than in 1981. Efforts were redoubled in geological work, and a number of oil and natural gas fields and over 300 mineral deposit sites were discovered and assessed.

There were plenty of commodities for the market. The total volume of retail sales came to 257 billion yuan, up by 22 billion yuan or 9.4 per cent over 1981, which means a real increase of 7.3 per cent after adjustment for price rises. The supply of foodstuffs, clothing and other daily consumer goods was for the most part fairly adequate, and varieties and designs increased. Market prices remained basically stable.

Foreign trade continued to expand. Customs statistics show the total volume of import and export to be 77.2 billion yuan, 5 per cent over 1981, which means a real growth of 3.4 per cent after adjustment for price and foreign exchange rate fluctuations. Of this figure, the total volume of export was 12.7 per cent over 1981, a real growth of 6.5 per cent after adjustment for price and foreign exchange rate fluctuations; total value of import went down by 2.7 per cent, or a real growth of 0.3 per cent after adjustment for price and foreign exchange rate fluctuations.

There were new advances in science, education, culture, public health and physical culture. Good results were obtained in a number of major scientific and technological research projects. Progress continued in technology transfer and scientific-technical advisory services. The successful underwater launching of a submarine-based carrier rocket indicated a new rise in the level of our science and technology. Total new enrolment in institutions of higher education was 315,000, or 36,000 more than in 1981.

There was further readjustment and reform of secondary education. In the secondary agricultural and vocational schools there were 704,000 students, or 223,000 more than in 1981. The number of hospital beds added throughout the country came to 37,000. Continued progress was made in literature, art, the cinema, broadcasting, television, the press, publishing and museum work. Good news kept coming in of inspiring new results in many sports events.

The living standards of the urban and rural population continued to rise. A sample survey of family income showed that annual per-capita net income of peasants averaged 270 yuan, an increase of 15.2 per cent over 1981 after leaving aside incomparable factors; annual income per member of the families of workers and functionaries used for living expenses averaged 500 yuan, up by 7.9 per cent, and real income rose by 5.8 per cent after adjustment for the rise in the cost of living index. The overwhelming majority of personnel in government, scientific, cultural, educational and public health institutions got wage increases. Some 6.65 million more people were employed in cities and towns. Housing conditions for the rural and urban population continued to improve.

It can be seen from the above account of the implementation of the plan that notable success was achieved in national economic and social development in 1982. This flowed from continued application by the whole nation and the governments at all levels of the correct policies for growth formulated since the Third Plenary Session of the Eleventh Central Committee of the Chinese Communist Party in December 1978, especially of the policy of readjusting, restructuring, consolidating and improving the national economy. It was also the result of applying the strategic programme for national economic development adopted by the party's twelfth national congress held in September 1982. On behalf of the State Council, I express high regards and heartfelt thanks to all workers, peasants, intellectuals, commanders and fighters of the Chinese People's Liberation Army, cadres and all patriotic personages for their hard work for socialist construction of our motherland.

We had not expected the total value of agricultural output of 1982 to exceed the planned target by a big margin, even less for grain output to reach such a high level when the output of all industrial crops increased at the same time. This shows that, when we drew up the plan, we underestimated the role of our rural policy in arousing peasant enthusiasm for production. Of course, favourable weather conditions were also an important factor. The main reason why heavy industrial production far surpassed planned targets was the excessively rapid increase of investment in fixed assets, which led to an abrupt rise in the demand for materials and equipment. Also there was a sharp increase in the demand for agricultural means of production and building materials in the rural areas -- another factor we failed to take into full account. At the request of some localities and departments, we left considerable leeway in setting the 1982 production targets for coal, hydro-power and some important raw and semi-finished materials, with the result that all these targets were surpassed.

Some problems calling for attention and prompt solution arose from the advances of the national economy in 1982. The major problems are as follows:

First, the increase of investment in fixed assets was too rapid, far exceeding the target set by the state plan. Total investment in capital construction throughout the country surpassed the plan by 11 billion yuan, 11.2 billion yuan over the previous year. The main reasons for this were that capital construction investment in the form of funds collected by localities, departments and enterprises themselves exceeded the plan by 5.2 billion yuan and investment financed by domestic bank loans exceeded the plan by 3.7 billion yuan.

Investment from these two sources accounted for much construction that seemed necessary from a local point of view, but was not in full accord with the needs of development of the country as a whole from an overall point of view. The overextension of capital construction and excessively decentralized use of the investment funds meant that some planned projects had to give way to those outside the plan and key projects to ordinary ones. Energy and transport projects, in particular, were adversely affected by a lack of funds, materials and construction workers. This was extremely harmful to the overall interests of the national economy. In addition, the proportion of total capital construction investment for nonproductive purposes rose still higher, reaching 45.5 per cent. It was imperative in recent years to increase substantially the investment in housing and urban public utilities in order to solve problems accumulated over the years. However, continuing to allow a high percentage of capital construction investment to be used for nonproductive purposes will hamper the normal process of expanded reproduction. Investment in equipment renewal and technical transformation of enterprises was 4 billion yuan above the planned figure. Yet a considerable part of it was not used for technical transformation but for new or expanded construction or, in some cases, for duplicate construction.

Second, the excessive increase in fixed asset investment led to another upward trend in production by heavy industry. This put further strain on the supply of energy and raw and semi-finished materials which had just eased a little, making the transport facilities even more unable to cope. If we allow this to go on, light industry is bound to be elbowed aside by heavy industry, resulting in a strained market supply and affecting the basic stability of commodity prices.

Third, although attention began to be paid to improving economic results in 1982, this work was still not sound and many units still one-sidedly pursued output value. Consequently, economic results in the areas of production, construction and circulation had not risen significantly, and a good number of related plan targets continued to be unfulfilled. For instance, production costs in state-owned industrial enterprises remained virtually unaltered in 1982, although the plan called for a 2-3 per cent reduction; profits to be handed in by such enterprises stayed at the previous year's level although the plan called for a 5.2 per cent increase. The proportion of fixed assets brought into operation in capital construction projects fell to 74.4 per cent from the previous year's 86.6 per cent. Owing to poor economic results and over-decentralized use of financial resources, state revenue did not show an increase commensurable to the rapid growth of production, and the basic balance between the revenue and expenditure remained vulnerable.

These problems indicate that we have to do a great amount of hard and meticulous work and earnestly solve the problems if we hope to ensure a sustained and healthy growth of the national economy and achieve a fundamental turn for the better in China's financial and economic situation.

## II. Tasks and Main Targets Set by the 1983 Plan

In accordance with the requirements of the Sixth Five-Year Plan and actual conditions, the main tasks for economic and social development in 1983 are: to continue applying the policy of readjusting, restructuring, consolidating and improving the national economy; to give top priority to raising economic results in all fields of work; to further consolidate and enhance what we have achieved in stabilizing the economy; and to solve the problems in our present work -- all in order to ensure continuous advance by all our economic and social undertakings.

The following is the general outline of the plan for 1983:

Agricultural production is to increase by 4 per cent over 1982.

Industrial production is to increase by 4 per cent over 1982, while efforts will be made for a 5 per cent increase in the course of carrying out the plan. Light industry is to grow by 4.1 per cent, and heavy industry by 3.9 per cent.

Investment in fixed assets is to be 74.7 billion yuan, or 9.8 billion yuan less than in 1982. Of this, investment in capital construction will be 50.7 billion yuan, and in equipment renewal and technical transformation of enterprises, 24 billion yuan.

The total volume of retail sales is to amount to 276 billion yuan, 7.8 per cent over 1982.

Student enrolment in regular institutions of higher education is to total 360,000, or 45,000 more than in 1982.

Now, I would like to give some explanation about a few major questions in the plan.

#### 1. The growth rate of industrial and agricultural production.

The planned growth rate in 1983 of agriculture and light and heavy industries is lower than that actually attained in 1982. As regards agriculture this is because weather conditions make it hard to get a good harvest every year, and we have to leave some leeway in planning. On the basis of a big increase in 1982, the 1983 plan envisages a further rise of 4 per cent. This is not a low target. Besides, agricultural growth must take into account changes in market demands. The output of rapeseed grew so fast in the past two years that it created difficulties in processing, storage and marketing. Therefore, the sown area of rapeseed will be reduced appropriately in 1983. The output of cured tobacco also increased too fast in the past two years, and quality dropped. There will be appropriate controls over tobacco production in 1983, with stress on improving quality.

Industrial production actually rose by 7.7 per cent in 1982, as against the planned increase of 4 per cent. Why, then, does the 1983 plan still call for "ensuring a 4 per cent increase and striving for a 5 per cent increase", and not a higher rate? On this question, the State Council proceeded from the following considerations: first, we must still do a lot of work in readjusting and restructuring the economy and in consolidating enterprises. Throughout the period of the Sixth Five-Year Plan, we shall have to concentrate a lot of effort on such work and readjust the relationships between various departments, improve the product mix and the pattern of enterprises and do enterprise management work better in order to prepare for long-range growth. It is therefore inadvisable to set an unduly high growth rate for now. Second, since quite a few localities and units are still going exclusively after output value and neglecting improved quality of products, reduced input of materials and the products' suitability to market demands, targets that are set too high would hamper the reorientation of economic work to the aim of better economic results as well as aggravate the tendency to seeking output value exclusively, and this would bring us back to the old path of high speed, poor results and no real benefits to the people. Third, since the excessive increase in 1982 in fixed asset investment and in heavy industrial production strained energy and transport still more, it is imperative to exercise appropriate control in 1983 over the growth rate of investment in fixed assets and of heavy industrial production, so as not to affect light industry, the market and co-ordinated expansion of the economy. Fourth, our plan must be placed on a reliable basis while leaving some leeway. As the plan is carried out, productive potential will be tapped and measures for overfulfilling the production targets taken step by step. If our plan should set too high a growth rate for industry, it would be difficult to strike a balance among energy, raw and semi-finished materials and transport, and big gaps would be left that, in turn, might cause producers to try to squeeze out one another in carrying out the plan.

Moreover, if our plan should allow no leeway, each and every unit would be under stress and it would be impossible to solve by modification and mutual help the new problems that are bound to crop up as the plan is being carried out. Practice has proved that if the planned targets are set on the safe side they can be overfulfilled with some effort, to the satisfaction of all. However, if the targets are too high to fulfil, the economic and political impact will be unfavorable and will dampen people's enthusiasm. We are convinced that, provided the work in 1983 is done well, it is quite possible to increase industrial production by more than 5 per cent, on condition that better economic results are ensured.

## 2. The volume of investment in fixed assets.

The current economic situation is good. The key to progress lies in effective control of the scale of capital construction. We have experienced a few major setbacks in economic construction since the founding of our People's Republic. Apart from political factors, the chief reason was the overextended scale of capital construction, which went beyond the country's financial ability. The fact that capital construction investment rose by 11.2 billion yuan in 1982 alone is a warning signal, and we must take effective measures in 1983 to control its volume.

Of the total investment in fixed assets set out in the 1983 plan, the portion for capital construction is 50.7 billion yuan, 4.8 billion yuan less than in 1982. The breakdown is as follows: direct budgetary investment, 26.1 billion yuan, 6.9 billion yuan over 1982; investment with locally-collected funds, 10.75 billion yuan, 6.25 billion yuan less than in 1982; investment via bank loans, 3.2 billion yuan, 4 billion yuan less than in 1982.

While controlling total investment in capital construction, we have readjusted the investment pattern for 1983 by allocating more funds for key construction projects. The amount for energy and transport projects is to increase from 15.8 billion yuan in 1982 to 19.9 billion yuan for 1983, accounting for 39.4 per cent of all investment in capital construction, as against 28.6 per cent in 1982. Stepping up the building of key projects is a major policy decision of strategic significance. If we should not concentrate our resources on finishing a number of such projects but divert too much fund to projects that are not indispensable to bring about a vigorous economic development in the 1990s. The State Council has decided to collect some fund for key energy and transport projects from the extra-budgetary income of the localities, departments, enterprises and institutions, and to collect some materials for centralized use. In the spirit of the whole nation supporting the key construction projects, we should resolutely curtail investment in ordinary projects and properly control nonproductive projects.

Of the planned investment in fixed assets for 1983, 24 billion yuan -- 5 billion yuan less than in 1982 -- is allocated for equipment renewal and technical transformation of existing enterprises. This is done in order to maintain an appropriate balance in financial and material resources, and to curtail funds not really used for equipment renewal or technical transformation. The State Council wishes to reaffirm the following: First, this fund must be used for renewing the equipment of existing enterprises and for their technical transformation; expanded capital construction in the name of these purposes is impermissible. Second, this fund should not be used for expanding the production capacity of ordinary processing industries, but mainly for conserving energy and materials and advancing the multi-purpose utilization of energy, for changing the product mix and improving quality and the environment in order to truly promote technical progress.

### 3. The market.

There was a 9.4 per cent increase in 1982 in the total volume of retail sales, by no means a small increase. With growing supplies, now the customers can have their choice with regard to some commodities. Generally speaking, however, the supply of commodities was inadequate. As the income of people in town and country grows, their purchasing power will continue to rise markedly in 1983. Striking a balance between supply and demand and keeping a stable market is an important question that brooks no neglect.

The 1983 plan calls for total volume of retail sales to go up by 7.8 per cent, and this goal must be reached without fail. To do this, we must above all strive for the continued all-round growth of agriculture and persist in the policy of giving planned priority to light industry in the following six fields: supply of energy and materials; bank loans; potential tapping, equipment renewal and technical transformation; capital construction; use of foreign exchange and imported technology; and transport. Energetic steps should be taken to turn out more good-quality industrial goods for daily use that are urgently needed. The industrial and commercial departments should co-operate in making market surveys and forecasts so that increasing quantities and varieties of readily marketable consumer goods are made in the light of the changing consumption pattern. We must improve our work in purchasing grain and other farm and sideline products and bringing industrial goods to the villages so as to stimulate the interflow of commodities between town and country.

While increasing the supply of commodities, we must properly control the increase in funds for consumption to prevent them from swelling beyond the level of increased production. We must stabilize the purchase prices of the main farm and sideline products and control the price subsidies for farm produce and agricultural means of production. Beginning in 1983, we shall increase the wages and salaries of workers and staff members in enterprises. This should be done strictly in accordance with the specific ranges and methods laid down by the State Council. We must put an end to the indiscriminate handing out of bonuses in cash or in kind which some enterprises and institutions now practice.

Market prices affect every household and social stability. It is the common responsibility of governments at all levels and all production and marketing units to keep prices basically stable. Some enterprises and peddlers arbitrarily raise prices either openly or in a disguised way. This is detrimental to the people's interests and must be checked by resolute measures. It is true that we should invigorate the economy, but this must never be used as an excuse to impair the interests of the state and the consumers. The industrial and commercial administrative departments and the price-control and tax departments should perform their duties and tighten control over the market with a view to protecting the legitimate interests of the producers, those who transport goods for sale and consumers.

### 4. Personnel training and crucial research projects and application of science and technology.

The party decided at its twelfth national congress that education and science be made one of the strategic priorities in China's modernization. We must now adopt effective measures to speed up the development of education and science and technology so that we can carry out this major policy decision of strategic importance.

New enrolment in regular universities and colleges was originally planned to reach 341,000 in 1983. The State Council has recently decided to increase the number to 360,000, a 14 per cent increase over the 1982 figure of 315,000.

This is an important measure taken by the state to speed up the training of personnel. While regular universities and colleges are expanded, departments and localities should run more radio and TV courses, correspondence courses, evening classes and other college college-level courses for the in-service training of cadres, on condition that the quality of teaching is ensured, so as to train more personnel. Existing institutions of higher learning should further readjust their faculties and specialities, and provide more specialities, particularly those that are badly needed, so as to better serve the needs for development of our various undertakings. New enrolment by secondary vocational schools is presently far too small, resulting in a disproportion between the number of graduates from tertiary institutions and that of graduates from secondary vocational schools. We must encourage more secondary vocational education and increase its enrolment in order to change this situation. Proper arrangements are also made in the 1983 plan for primary and secondary school education and for the structural reform of secondary school education.

Our main task in 1983 in the field of science and technology is to tackle crucial research projects and disseminate the results, all done according to the needs of the major research projects in the Sixth Five-Year Plan. Guided by the science and technology leading group under the State Council, the localities and departments concerned should designate persons responsible for the technical aspect of each research project and organize the scientists and technicians concerned for concerted efforts to speed up research and the use of the results. At the same time, we must engage scientists, engineers and technicians in assessing the economic effectiveness and technological feasibility of key construction projects and in the technical transformation of enterprises and whole trades. We must quickly work out a long-term scientific and technological development programme. All these tasks should be done by a three-in-one combination of leading cadres, workers and scientists and technicians so that all their initiative is fully tapped.

### III Implementation of the 1983 Plan in the First Five Months and the Key to Fulfilment of the Annual Plan

Five months of 1983 have already passed. The situation in this period shows that our national economy has been performing well. Except for some southern regions where production suffered from windstorms, the summer crops are growing well in most parts of the country and promise good harvests. Total cumulative output value of industry between January and April was 7.6 per cent greater than for the corresponding period of last year. Output of energy rose steadily: the output of coal went up by 4.9 per cent over the corresponding 1982 period, of which the proportion produced under unified central planning rose by 3.3 per cent; the output of electricity rose by 6 per cent. Production of such materials as sulphuric acid, soda ash, caustic soda, cement and plate glass and such agricultural means of production as chemical fertilizers and walking tractors all showed increases over the same period of last year. Production of most of the 37 major light industrial products went ahead as planned. The output of bicycles, watches, household washing machines, tape recorders and other durable consumer goods grew anywhere from 20 to 80 per cent over the corresponding 1982 period. Output of woollen fabrics, sugar and beer also increased to varying degrees. The total volume of retail sales went up by 10.8 per cent. The main problem in national economic growth is that the volume of investment in capital construction has not yet been effectively controlled. The figure for the January-April period totalled 18.3 per cent higher than for the same period of last year. This aggravated the shortage of steel products, timber and cement, and now heavy industry is growing too quickly in some places at the expense of light industry.

Overdecentralized use of funds is still very serious in spite of increased investment for key construction projects. Economic results in the fields of production, capital construction and circulation have not yet improved significantly. Some industrial products have become poorer in quality and less marketable, while production costs in industrial enterprises and the costs of commodity circulation have gone up so that, compared with the corresponding period of last year, less profits have been earned and delivered to the state.

We must earnestly carry out all the measures set in the 1983 plan which was approved by the Fifth Session of the Fifth National People's Congress so that we can fulfil the 1983 plan in an all-round way. We should at present concentrate our effort on the following three aspects:

First, strictly control the volume of investment in fixed assets and ensure the completion of the key construction projects and the technical transformation of enterprises on schedule. The excessive growth of investment in capital construction in the first few months of this year was mainly because too much investment was put in ordinary construction projects outside the plan. This is harmful to economic stabilization and to reinforcing the work on key projects. The State Council has recently instructed all localities and departments concerned to check up on the actual arrangements for capital construction for 1983 and to quickly slash anything in excess of the state plan that is not approved by the State Council or the State Planning Commission. All investments in capital construction shall be under the centralized control of the Bank of Construction of China, which is to supervise their use according to plan. All loans for capital construction shall be administered in the same way as investments covered by the state budget and be incorporated into the state plan. No financial or tax departments or other departments not authorized by the State Council may extend loans for investment in fixed assets. Building projects for the purpose of equipment renewal and technical transformation shall be controlled in the same way as capital construction.

Second, continue to consolidate and readjust existing enterprises and so restructure the economy and improve economic results in an all-round way. Over 1,000 large and medium-sized key enterprises are scheduled to be consolidated in 1983 and we should lead this work more effectively so that by the end of the year most of them may meet the standards set for consolidation. The main economic and technical norms and the composite economic results of such consolidated enterprises should be better than before and than other similar enterprises as well. The standards set must be used to evaluate consolidated enterprises, and substandard ones must be consolidated again. It is not permitted simply to go through the motions. Enterprises which use a lot of fuels and materials, turn out poor-quality products and have long run at a loss, and enterprises whose production exceeds demand and which overstock commodities must definitely close down, suspend operation, merge with others or switch to the manufacture of other products if they show no improvement after consolidation within a specified time. Such measures and improvement of management should result in enterprises that run at a loss markedly reducing deficits compared with last year. No new factories can be set up without first obtaining approval and a business license from the departments for industrial and commercial administration, so as to prevent the unwarranted opening of a new group of factories after some old ones are closed. Factories operating without business licenses shall be closed down according to law. In the course of enterprise consolidation and readjustment, we should pay close attention to, and make a success of the major reform of taxing state-owned enterprises instead of letting them deliver provits, if any, to the state. During this reform, all localities, departments, and enterprises must strictly follow the regulations of the State Council and must not go their own way.

In sharing profits, we must ensure that the state gets the largest portion, the enterprises concerned the second largest, and the individuals the rest. All enterprises must follow the state plan, accept price control and comply with state tax regulations. This work should reduce cost of production and circulation of industrial and commercial enterprises, while tax payments and profit delivery to the state should increase by a fairly wide margin, thus ensuring a basic balance in state revenue and expenditure.

Third, keep the rate of growth of heavy industry at an appropriate level and develop light industry faster. While continuing to boost energy production, we should distribute it first to meet the needs of light industry and the market and cut the supply to certain branches of heavy industry to a proper extent. It is incorrect to increase heavy industrial production greatly and one-sidedly pursue a high growth rate of output value to the neglect of the balanced expansion of light and heavy industries and in disregard of the market and people's livelihood and of a balance between supply and demand of energy and materials. Such practices should be checked. Light industrial production should grow according to market needs, ensuring first of all the manufacture of famous-brand and new-type products of good quality and in short supply, and cutting back production of poor-quality, high-priced and slow-selling products, so as to avoid overstocking.

It should be pointed out that the Central Committee of the Chinese Communist Party and the State Council have repeatedly issued explicit stipulations on the main content of these three aspects of work. Since the beginning of this year, the State Council has again issued some specific regulations in accordance with the resolutions adopted by the Fifth Session of the Fifth National People's Congress. These stipulations and regulations are now being reiterated because many localities and departments have not carried them out in earnest. This is caused mainly by lax financial and economic discipline and, consequently, principles and policies formulated by the National People's Congress and the State Council are not strictly enforced. Therefore, we must work for unity in thinking throughout the country and strict observance of discipline so that the principles, policies, and specific regulations formulated by the state will be translated into conscious action by all cadres and the masses in all localities, departments and units -- this is the key to the overall fulfilment of the 1983 plan and consolidation and development of the current good situation.

Ideological and political work should be improved so that leaders of governments and economic establishments at all levels thoroughly understand the correct concepts of economic construction and apply them fully. We should unswervingly implement the policy of opening to the outside world and invigorating the domestic economy and continue to apply the correct policies and measures adopted in recent years for the latter purpose. This is the only way to arouse the enthusiasm of all quarters and stimulate the growth of the productive forces. At the same time, we should stick to the principle of "planned economy supplemented by market regulation", keep to an overall point of view and correctly handle the relations between partial and overall interests and between immediate and long-term interests, taking decentralizing or centralizing measures as warranted by actual conditions. Only thus can we guarantee the proportionate and harmonious growth of the national economy as a whole.

We should strengthen financial and economic discipline as well as economic supervision. Without strict discipline, the smooth operation of major economic activities under unified plans cannot be assured.

Leaders at all levels must earnestly shoulder their responsibilities, strictly implement the principles and policies laid down by the National People's Congress and the State Council and combat all acts in violation of financial and economic discipline. Planning, financial, banking, tax, price-control and statistical departments at all levels should perform their duties faithfully and strengthen the supervision and review of economic work. Economic and administrative sanctions must be applied in accordance with relevant provisions against those involved in such breaches of state regulations as unauthorized expansion of the scale of capital construction, appalling waste of state funds and materials, unjustified additions to production costs, tax evasion, retention of state revenue and materials earmarked for unified distribution, arbitrary raising of commodity prices openly or in disguised ways. Serious cases must be dealt with according to law.

Fellow deputies, the people of all our nationalities are now exerting themselves to create a new situation in all fields of socialist modernization and already have made some achievements. The problems arising in our economic construction have appeared in the course of our progress. All of them can be effectively solved and we can ensure a sustained, sound and steady development of the national economy provided we scrupulously carry out the resolutions of the party's twelfth national congress, persist in the policy of readjusting, restructuring, consolidating and improving our economy, and carry out the measures already decided on. Cadres at all levels and the masses of the people should continue to work hard and with an enterprising spirit and strive to tap all potential, increase production, practise economy, oppose waste and do their best to fulfil the plan for 1983 in an all-round way, and even overfulfil it.

'TEXT' OF WANG BINGQIAN REPORT AT SIXTH NPC

OW240304 Beijing XINHUA in English 0256 GMT 24 Jun 83

[Text] Beijing, June 24 (XINHUA) -- Following is the full text of the report on the final state accounts for 1982, delivered by Minister of Finance Wang Bingqian to the First Session of the Sixth National People's Congress:

Report on the Final State  
Accounts for 1982

(Delivered at the First Session of the Sixth  
National People's Congress on June 7, 1983)

Wang Bingqian  
Minister of Finance

Fellow deputies, at the Fifth Session of the Fifth National People's Congress held in December 1982, I made the "Report on the Implementation of the State Budget for 1982 and the Draft State Budget for 1983". Now, the final state accounts for 1982 have been worked out and, entrusted by the State Council, I shall make a report on them for your examination.

Under the leadership of the Chinese Communist Party and the People's Government, the people of all our nationalities continued in 1982 to implement the policy of readjusting, restructuring, consolidating and improving the national economy and made new economic and social achievements.

There were good harvests. Light industry made sustained progress, and production in heavy industry picked up. The market had more commodities and prices were basically stable. The living standards of the people continued to rise, and there was new progress in the building of spiritual civilization. The country's financial situation continued to improve on the basis of the growth of industrial and agricultural production. The decline in state revenues was arrested, and expenditures increased, compared with the preceding year. A basic balance was maintained between state revenue and expenditure.

The final state accounts showed that state revenues in 1982 totalled 112.897 billion yuan, or 101.8 per cent of the budgeted figures, total expenditures reached 115.331 billion yuan, or 101.7 per cent of the budgeted figure. The state deficit was 2.934 billion yuan, a slightly lower figure than that envisaged in the budget. The financial deficit in 1982 will be made up by an overdraft from the People's Bank of China.

Domestic receipts amounted to 108.394 billion yuan of all revenue in the final state accounts for 1982, or 102.8 per cent of the budgeted figure; foreign loans came to 4.003 billion yuan, or 80.1 per cent of the budgeted figure. The essential breakdown follows:

1. Tax receipts came to 70.002 billion yuan, or 108.4 per cent of the budgeted figure, surpassing it by a fairly wide margin. This was due mainly to increased production, expanded commodity circulation, and strengthened tax administration, all of which contributed to higher tax receipts. The state adopted some necessary measures in 1982 to implement the tax policy and initiated an industrial and commercial tax on banks and a special tax on enterprises that use petroleum as their principal fuel, also increasing tax receipts.
2. Receipts from enterprises totalled 29.647 billion yuan, or 86.2 per cent of the budgeted figure. Receipts from such enterprises as railway, transport, civil aviation, post and telecommunications, and the building trades met the target fairly well, but those from industrial and commercial enterprises fell somewhat below the budgeted figure. On the one hand, the unsatisfactory results in the latter case were due to the poor economic effectiveness of industrial and commercial enterprises and failure to meet their plans for reducing cost of production and eliminating losses. On the other hand, there were some objective reasons, such as lowering the sales prices of wrist watches, TV sets, transistor radios and polyester fabrics, selling some overstocked commodities at reduced prices, and raising the interest rate on bank loans, all of which led to a drop in enterprise profits. At the same time, resumption of taxes on some industrial products and adoption of a special tax on enterprises that use petroleum as their principal fuel meant that part of enterprise profit became tax payments.
3. Receipts from state treasury bonds totalled 4.383 billion yuan, or 109.6 per cent of the budgeted figure. Overfulfilment of this receipt item was the result of enthusiastic subscription to state treasury bonds by all departments and units as well as the general population.
4. The portion of basic depreciation funds of enterprises turned in to the central financial authorities amounted to 2.584 billion yuan, about the same as in 1981.

Of all expenditures in the 1982 final state accounts, 111.328 billion yuan, or 102.7 per cent of the budgeted figure, was appropriated from domestic funds; appropriations for capital construction from foreign loans amounted to 4.003 billion yuan, or 80.1 per cent of the budgeted figure. The essential breakdown follows:

1. Budgetary appropriations for capital construction totalled 30.915 billion yuan, or 104 per cent of the budgeted figure. Of this, investment using domestic funds came to 26.912 billion yuan, and that using foreign loans, 4.003 billion yuan. Budgetary appropriations for capital construction somewhat exceeded the estimated figure mainly because of increased investment in infrastructure in energy, transport and so on, and this is necessary for ensuring the development of production and construction.
2. Funds to tap the potential of existing enterprises, finance their technical transformation and subsidize trial manufacture of new products amounted to 6.902 billion yuan, or 127.3 per cent of the budgeted figure. The expenditure was far above the budgeted figure because the central financial authorities provided additional allocations and, at the same time, the localities put greater emphasis on technical transformation of existing enterprises and used some of their own reserve funds for this purpose.
3. Allocation of circulating funds for enterprises totalled 2.363 billion yuan, or 98.5 per cent of the budgeted figure.
4. Allocations for geological prospecting amounted to 2.305 billion yuan, or 100.2 per cent of the budgeted figure. Geological prospecting must be done before economic construction, and the funds allocated in 1982 for this work basically met the needs of its expansion.
5. Expenditures for aiding rural people's communes and other operating expenses for agriculture totalled 7.988 billion yuan, or 105 per cent of the budgeted figure. Apart from some additional allocations provided by the central financial authorities to aid agriculture and fight natural calamities, the excess over the budget figure was due mainly to additional outlays for agricultural production made by localities out of their own reserve funds.
6. Operating expenses for culture, education, science, and public health services totalled 19.696 billion yuan, or 109.4 per cent of the budgeted figure. Appropriations for these undertakings increased by a fairly big margin mainly because they made more headway in 1982 and therefore required a corresponding rise in expenditure. At the same time, recruitment of more personnel by the cultural, educational, scientific, and public health departments and the pay rise for part of their workers and staff members also meant increased outlay.
7. Expenditures for national defence accounted for 17.635 billion yuan, or 98.7 per cent of the budgeted figure.
8. Administrative expenses came to 8.16 billion yuan, or 104.6 per cent of the budgeted figure. More personnel were recruited in 1982 to strengthen public security, procuratorial, and judicial work, leading to more expenses.

9. Expenditures for repaying the principal and interest on foreign loans totalled 4.962 billion yuan, or 139.8 per cent of the budgeted figure. Part of the foreign loans was repaid ahead of time because there was a favourable balance of foreign trade payments last year.

Generally speaking, the state budget for 1982 was implemented satisfactorily. Under the leadership of the Central Committee of the Chinese Communist Party and the State Council, all the localities and departments and the people of all our nationalities made great efforts to meet the plan for economic and social development and implement the state budget. Execution of the 1982 state budget shows that a basic balance was maintained between state revenue and expenditure. We note the following salient features:

First, state revenues began to pick up, reversing the three-year trend to decline. As we know, from 1979 to 1981, the state adopted a number of major measures and allocated huge funds to readjust the national economy and solve a host of economic problems left outstanding over the years, as well as improve the well-being of the people. All this entailed a temporary reduction for three years in state revenues. Beginning in 1982, however, the downward trend began to change. Deducting revenues from state treasury bonds and foreign loans and calculated in terms of comparable items, state revenue in 1982 was 2.3 per cent above the preceding year. Although this was not a significant increase, it marked the continued improvement of the country's financial situation, an improvement made possible by the growth in production.

Second, while state revenues increased, state expenditures rose above the previous year's figures. The decline in state revenues in 1979 and 1980 caused huge financial deficits for two years running. The state had to reduce its expenditures drastically in 1981 compared with 1980, by 9.8 billion yuan. Contrary to the situation in 1981, state expenditures covered by domestic revenues began to rise in 1982 by more than 7.1 billion yuan, while a basic balance was maintained between total revenue and expenditure. This basic balance resting on higher revenues and expenditures was the consequence of carrying out the policy of readjusting, restructuring, consolidating and improving the national economy.

Third, the portion of state expenditures for production and construction increased in 1982, and this stimulated the steady growth of the national economy. Compared with 1981, appropriations for domestic capital construction rose by 1.157 billion yuan; funds for tapping the potential of present enterprises, financing their technical transformation and subsidizing trial manufacture of new products, by 372 million yuan; allocations for geological prospecting, by 120 million yuan; expenditures for aiding rural people's communes and other operating expenses for agriculture, by 620 million yuan; and expenses for urban development and maintenance, by 356 million yuan. These items alone accounted for a combined increase of 2.625 billion yuan, or 36.8 per cent of all additional state expenditure for 1982. These expenditures were a positive factor in promoting production and construction. In capital construction, a number of big and medium-sized projects were completed and went into operation, and the capacity of crude oil and coal production and of transport was expanded. In agriculture, the expenditures cited meant support to grain production and diversified undertakings as well as the struggle against natural calamities, thus helping to ensure overall good harvests.

Fourth, operating expenses for culture, education, science, and public health services increased substantially, and allocations were made to help ensure the continued improvement of the life of the urban and rural population. Compared with the previous year, expenses for culture, education, science and public health services in 1982 went up by 2.56 billion yuan, 35.9 per cent of all additional state expenditure for 1982, an increase of 14.9 per cent. The amount for educational undertakings rose by 1.32 billion yuan, an increase of 12.9 per cent. Enrolment in institutions of higher learning was 36,000 more than the previous year; structural reform of secondary education was started, and 159,000 more students were admitted to secondary vocational agricultural schools. The state appropriated additional special funds in 1982 to institutions of higher learning to support scientific research, helped the Chinese Academy of Sciences establish the science fund and financed over 500 items of basic theoretical research in natural sciences and of research in applied sciences. The state also allocated 230 million yuan as a special fund for improving medical and public health facilities and for strengthening disease prevention and treatment and family planning. Culture, physical culture and radio and television also made new advances. In 1982 the state continued to create jobs for large numbers of people in cities and towns, and in the fourth quarter of the year gave a pay rise to a section of the workers and staff members in government offices and institutions. Because of the rise in employment and wages, the payroll for workers and staff members increased by 5 billion yuan over 1981. Meanwhile, the state increased its investment in urban housing projects, building more than 110 million square metres of floor space in 1982. Agricultural production continued to grow during the year, and the state continued its policy of providing price subsidies for farm and sideline products and of keeping the agricultural tax unchanged. Consequently, peasant income continued to rise. A sample survey showed that the annual per-capita net income of peasants was 270 yuan in 1982, an increase of 46.7 yuan over the previous year.

In 1982 the nationwide check-up on the financial work of enterprises continued. Many cases of breaches of financial and economic discipline were exposed in various localities and departments over the past year and more. These were dealt with properly, and about 2.3 billion yuan were recovered and turned over to the state treasury. A nationwide tax registration and check-up on application of the tax policy were carried out, and this further strengthened tax control. Statistics show that 4.2 million tax-payers registered in 1982, and that 253,000 long-time tax evaders were discovered and made to pay taxes in arrears.

Although the 1982 state budget was carried out well, there still was no marked improvement in the low economic effectiveness in production, circulation and construction; use of funds was still seriously overdecentralized; the increase of state revenue still lagged far behind the growth in production; and the basic balance between state revenue and expenditure was not yet stable. In the field of capital construction, key projects badly needed by the state were affected by a lack of funds while investment by various localities, departments and units using their own funds or bank loans increased tremendously. This dispersed manpower, material and financial resources and overextended capital construction. We must speedily change this state of affairs by keeping to the policy of readjusting, restructuring, consolidating and improving the national economy.

We should spare no effort to expand production and achieve better economic results, and should gradually increase the portion of financial revenue in national income, properly concentrate funds to ensure construction of key projects and promote cultural, educational and scientific undertakings. We should firmly cut investment for ordinary construction projects. In the days to come, we must study and adopt necessary and feasible measures to improve the financial situation of the country still more.

Fellow deputies, I should now like to report briefly on how this year's state budget was carried out in the first few months. The 1983 state budget sets total revenue at 123.2 billion yuan and total expenditure at 126.2 billion yuan, the difference being 3 billion yuan. This budget was examined and approved by the Fifth Session of the Fifth National People's Congress and is now being implemented. Up to the end of April, state revenues reached 32.678 billion yuan, which was 26.5 per cent of the total budgeted figure for the whole year and represented an increase of 3.2 per cent over the same period of last year; state expenditures came to 30.981 billion yuan, which accounted for 24.5 per cent of the annual budgeted figure and represented an increase of 9.7 per cent over the same period of last year. On balance, revenues were 1.697 billion yuan over expenditures. We should pay attention to the fact that the growth rate of revenue failed to reach the annual budget target while expenditures were above the specified figures, and particularly that more and more requests for additional funds are coming in. All this means that it will be fairly difficult to fulfil the 1983 state budget and keep a basic balance between revenue and expenditure. In the coming months, we must pay close attention to state revenues and properly concentrate funds while expanding production and improving economic results. At the same time, we must strictly control expenditures in line with the approved budget and firmly oppose extravagance and waste. While doing what we should do, we must leave to the future what is beyond our present means and refrain from doing what should not be done. We ask all localities, departments and units to strictly control planned capital construction projects financed with their own funds and end the irrational situation of ordinary projects squeezing out key projects and of duplicate construction and blind development, things that have appeared in some places.

In regard to the financial work of 1983, I already dealt with it in my report to the Fifth Session of the Fifth National People's Congress. We have been working hard to reform the financial and tax systems. An important reform is that state-owned enterprises pay income tax instead of turning their profit over to the state. Following two years of experimental application, the State Council has decided on overall trial implementation of this system, beginning from June 1 this year, and it has made known the specific methods and detailed rules. This is a major change in distribution between the state and enterprises, and it is an important aspect of the structural reform of China's economic administration. It will be of significance in continuing to expand the decision-making power of enterprises and refining the system of responsibility in management and operation, gradually eliminating the situation of "everybody eating from the same big pot", promoting the growth of the national economy and ensuring steady increase in state revenues. We call on all localities, departments and enterprises to proceed with this reform conscientiously in accordance with the arrangements made by the State Council. We plan to sum up, at an opportune moment, the overall experience in this trial reform and then draw up formal regulations to replace profit delivery with tax payments and submit them to the National People's Congress for examination and approval.

Fellow deputies, the current situation in industrial and agricultural production is excellent. The market and the whole national economy are thriving. As economic reform progresses and economic management is strengthened, economic effectiveness in all spheres is bound to improve step by step.

All this will create favourable conditions for carrying out this year's state budget. We must work conscientiously to apply the principles, policies, and measures adopted by the current National People's Congress, do a good job in all fields, try our best to collect state revenues and strictly curtail expenditures so as to ensure successful fulfilment of this year's state budget.

FIRST SESSION OF SIXTH NPC STANDING COMMITTEE

Opens 23 June

OW231019 Beijing XINHUA Domestic Service in Chinese 0933 GMT 23 Jun 83

[Text] Beijing, 23 Jun (XINHUA) -- The first session of the Sixth NPC Standing Committee began this morning at the Great Hall of the People.

The meeting was chaired by Peng Zhen, chairman of the NPC Standing Committee.

The meeting appointed Yon Lin [2589 2651], Gao Dengbang and Wang Houde as deputy secretaries general of the NPC Standing Committee and approved appointments and removals of a number of ambassadors.

Attending the meeting were Vice Chairmen of the NPC Standing Committee Chen Pixian, Wei Guoqing, Geng Biao, Xu Deheng, Peng Chong, Wang Renzhong, Zhu Xuefan, Ngapo Ngawang Jigme, Bainqen Erdini Qoigyi Gyaincain, Seypidin, Zhou Gucheng, Yan Jici, Hu Yuzhi, Rong Yiren, Ye Fei, Liao Hansheng, Han Xianchu and Huang Hua.

Present at the meeting as observers were Zheng Tianxiang, president of the Supreme People's Court; Yang Yichen, procurator general of the Supreme People's Procuratorate; leading members of the standing committees of the people's congresses of various provinces, autonomous regions and municipalities under the central government; and the principal leading members of the party committees of some provinces, autonomous regions and municipalities under the central government.

Ends 24 June

OW240916 Beijing XINHUA Domestic Service in Chinese 0844 GMT 24 Jun 83

[Text] Beijing, 24 Jun (XINHUA) -- The first session of the Sixth NPC Standing Committee of the closed at the Great Hall of the People this morning.

Peng Zhen, chairman of the NPC Standing Committee, chaired the meeting. He spoke on how to carry out the tasks set by the Sixth NPC and strengthen the functions of the standing committees of the people's congresses at all levels.

Attending the session were Vice Chairmen of the NPC Standing Committee Chen Pixian, Wei Guoqing, Geng Biao, Xu Deheng, Peng Chong, Wang Renzhong, Zhu Xuefan, Ngapo Ngawang Jigme, Seypidin, Zhou Gucheng, Yan Jici, Hu Yuzhi, Rong Yiren, Ye Fei, Liao Hansheng, Han Xianchu and Huang Hua.

Present at the meeting as observers were Yang Yichen, procurator general of the Supreme People's Procuratorate and leading members of the standing committees of the people's congresses of all provinces, autonomous regions and municipalities under the central government as well as the principal leading members of the party committees of some provinces, autonomous regions and municipalities under the central government.

REPORTAGE ON MOURNING FOR LIAO CHENGZHI

## Leaders Pay Respects 23 June

OW231241 Beijing XINHUA in English 1222 GMT 23 Jun 83

[Text] Beijing, June 23 (XINHUA) -- Leaders of the Chinese Communist Party and state joined by more than 2,000 grief-stricken people today went to Beijing Hospital here to pay their last respects to the remains of Liao Chengzhi, member of the Political Bureau of the Chinese Communist Party Central Committee and vice-chairman of the Standing Committee of the Fifth National People's Congress.

Draped with a flag of the Communist Party of China, the body of Liao Chengzhi lay in state amid evergreens and flowers. At the foot of the bier were a wreath and bouquets of flowers presented by Jing Puchun, widow of Liao Chengzhi, and their children.

Among the party and state leaders who went to pay last honors at the hospital were Hu Yaobang, Deng Xiaoping, Zhao Ziyang, Li Xiannian, Chen Yun, Peng Zhen, Deng Yingchao, Xu Xiangqian and Ulanhu. They also expressed sincere sympathy for Jing Puchun and Liao Chengzhi's children as well as for Liao's sister, Liao Mengxing.

Also paying last respects to the remains of Liao Chengzhi at Beijing Hospital were Comrade Hoang Van Hoan and a special envoy of the Japanese Government, Furui Yushimi who travelled to Beijing to attend the services for Liao Chengzhi.

Beginning at 8 a.m., groups after groups of people with white paper flowers on their lapels went to Beijing Hospital and slowly filed past the bier, to pay respects to this eminent social activist and outstanding party and state leader. Mourners said they cherished the memory of the indelible contributions made by Liao Chengzhi in socialist construction, in consolidation and expansion of the patriotic united front to achieve the great unity and reunification of the motherland, in strengthening the Chinese people's friendly relations with peoples of other lands and in the struggle for world peace.

People from various groups paying last respects were Standing Committee members of the National People's Congress, leading members of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), leaders of departments under the C.P.C. Central Committee and government departments, members of the general departments, arms and services of the Chinese People's Liberation Army, all Chinese democratic parties and various mass organizations, representatives from various fields, various nationalities and patriotic democrats and returned overseas Chinese, along with compatriots in Hong Kong, Macao and Taiwan and some foreign friends now in Beijing.

Among the mourners were deputies to the Sixth National People's Congress and members of the Sixth National Committee of the Chinese People's Political Consultative Conference from Hong Kong and Macao.

Loretta Fung, sister of Anna Chennault, a relative of Liao Chengzhi, made a special trip to Beijing and went to Beijing Hospital today to pay her last respects to Liao Chengzhi.

Among the noted Japanese figures who travelled to Beijing and went to the hospital were Haruo Okada, Tokuma Utsunomiya, Torao Miyagawa, Shigeichi Koga, Heishiro Ogawa, Takeshi Inoue, Kinkazu Saionji, Seimin Miyazaki, Kaheita Okazaki and Hisao Kuroda.

Yoshikatsu Takeiri, chairman of the Japanese Komeito (Komei Party), who arrived here on June 21, was included among the mourners.

Around six p.m., Liao Chengzhi's remains were escorted from Beijing Hospital to the Babaoshan Crematory by Song Renqiong, Chen Pixian, Chen Yiping and Liao's family and relatives.

#### Memorial Services Held

OW240439 Beijing XINHUA in English 0352 GMT 24 Jun 83

[Text] Beijing, June 24 (XINHUA) -- Memorial services for Liao Chengzhi, member of the Political Bureau of the Chinese Communist Party Central Committee and vice-chairman of the Standing Committee of the Fifth National People's Congress, who died June 10, were held in various places of China over the past few days.

Over 3,000 people, including returned Overseas Chinese in Beijing, went to the mourning hall here between June 19 and 23 to express condolences on the death of Liao Chengzhi. Among the mourners were also representatives of Huiyang County, Guangdong Province, Liao Chengzhi's home town. Foreign friends, compatriots from Hong Kong and Macao and Overseas Chinese now in Beijing were also included.

Mourning halls were also set up in Shanghai, Guangzhou, capital of Guangdong Province, and other cities and counties in the province, as well as in some cities and counties in Fujian Province.

Paying condolence calls at the halls were leaders of local party organizations, governments, units of the Chinese People's Liberation Army, and branch offices of democratic parties and mass organizations. Workers in charge of Overseas Chinese affairs, returned Overseas Chinese, compatriots from Hong Kong, Macao and Taiwan, and college teachers and students in the localities also went to the halls to express sympathy.

#### Li Xianian's Eulogy

OW240810 Beijing XINHUA in English 0738 GMT 24 Jun 83

[Text] Beijing, June 24 (XINHUA) -- Text of the eulogy for Liao Chengzhi, member of the Political Bureau of the Central Committee of the Communist Party of China and vice-chairman of the Standing Committee of the National People's Congress, by President Li Xiannian at the memorial meeting held here today follows:

With deepest grief, we today pay heartfelt tribute to the memory of Comrade Liao Chengzhi, an outstanding member of the Chinese Communist Party, a proletarian revolutionary, an eminent social activist and an outstanding party and state leader.

Comrade Liao Chengzhi made indelible contributions in protracted revolutionary struggles, in socialist construction, in consolidation and expansion of the patriotic united front to achieve the great unity and reunification of the motherland, in strengthening the Chinese people's friendly relations with the peoples of other lands and in the struggle for world peace.

He died, however, at this time when the people throughout the country were looking forward to his making still greater contributions to the cause of the construction and reunification of the motherland. This is indeed a great loss for the whole party and the people throughout the country.

A native of Huiyang County, Guangdong Province, Comrade Liao Chengzhi was born in Tokyo, Japan, on September 25, 1908. His youth coincided with the first period of cooperation between our party and the Kuomintang, and the whole country was in a high tide of the democratic revolution against imperialism, feudalism and warlordism. Nurtured and influenced by Dr. Sun Yat-sen, Madame Soong Ching Ling, his father Liao Zhongkai and his mother Madame He Xiangning, Liao Chengzhi plunged into the flames of the great revolutionary movement. He joined the Kuomintang in 1925. While studying at Lingnan University, he participated in the student and workers' movements, accepted Marxism in the course of revolutionary practice and took the bright road of striving for the proletarian revolutionary cause.

The counter-revolutionary coup of April 12, 1927 did not shake his confidence in the revolutionary cause nor stop his struggle. He joined the Chinese Communist Party in Shanghai in 1928. For the following half century and more, he worked for the party diligently and conscientiously. Between 1928 and 1932 the party sent him to work in the International Seamen's Trade Union in Germany and he led a Chinese seamen's strike that was victorious. In 1930, he was sent to Moscow by the International Seamen's Trade Union to attend the Fifth Congress of the Workers International. After returning to China in 1932, he served in Shanghai as head of the Propaganda Department of the All-China Federation of Trade Unions and secretary of the C.P.C. group of the All-China Seamen's Trade Union. He joined the Red Army in August 1933, and became a Standing Committee member of the C.P.C. Provincial Committee of the Sichuan-Shaanxi soviet area. He was secretary-general of the General Political Department of the Fourth Front Army of the Red Army in 1934, and took part in the Long March. After arriving in Yanan he served as secretary of the party press committee and did a great deal of work for the party newspaper, journal and news agency. After the outbreak of the war of resistance against Japanese aggression, the party Central Committee sent him to Hong Kong to take charge of the work of national united front against Japanese aggression. In accordance with Comrade Zhou Enlai's instructions, he organized Overseas Chinese and compatriots in Hong Kong and Macao to help the motherland resist Japanese aggression. After Japan occupied Hong Kong, he went to northern Guangdong Province and became a leading member of the C.P.C. Southern Work Committee. In May 1946, he joined the delegation of the Chinese Communist Party in Nanjing and assisted Comrade Zhou Enlai. Between 1946 and 1949, he was a member of the Southern Bureau of the C.P.C. Central Committee, head of the Propaganda Department of the Shanxi-Hebei-Shandong-Henan Central Bureau of the Central Committee, deputy head of the Propaganda Department of the Central Committee and director of XINHUA NEWS AGENCY. After the founding of the People's Republic, he served successively as deputy head of the International Liaison Department of the C.P.C. Central Committee, deputy head of the United Front Work Department of the Central Committee, deputy secretary and member of the Secretariat of the Central Committee of the Youth League, president of the All-China Youth Federation, head of the China Youth Art Theater, vice-chairman and then chairman of the Overseas Chinese Affairs Commission, deputy director of the Office in Charge of Foreign Affairs under the State Council, adviser to the Ministry of Foreign Affairs and second deputy secretary of the leading party group of the ministry, director of the Office of Overseas Chinese Affairs under the State Council, president of Overseas Chinese University, president of the Beijing Foreign Languages Institute, vice-chairman of the Chinese People's National

Committee in Defence of Children, vice-president of the Chinese People's Committee for World Peace, president of the China Committee for Afro-Asian Solidarity, vice-president of the Sino-Soviet Friendship Association, president of the China-Japan Friendship Association, honorary president of the All-China Federation of Returned Overseas Chinese, and adviser to the Soong Ching Ling Foundation.

Comrade Liao Chengzhi was elected an alternate member of the Central Committee at the 7th National Congress of the C.P.C., and was later promoted to full member at the Second Plenary Session of the 7th Central Committee. He was also elected a member of the Central Committee at the 8th, 10th, 11th and 12th National Congresses of the C.P.C. He was elected a member of the Political Bureau of the Central Committee at the First Plenary Session of the 12th Central Committee of the C.P.C. He was a deputy to all six National People's Congresses, a member of the Standing Committees of the 1st and 4th National People's Congresses, and a vice-chairman of the Standing Committee of the 5th National People's Congress.

Loyal to the party and the people, Comrade Liao Chengzhi was staunch and fearless in various struggles against the enemy and against wrong lines inside the party, displaying the courage and qualities of a proletarian revolutionary. He was arrested twice in Japan in 1927 because of his revolutionary activities. While studying at the No. 1 College of Waseda University of Japan in 1928, he was again arrested and expelled from Japan by the Japanese Government for his continued revolutionary activities. While working in the International Seamen's Trade Union, he was arrested in the Netherlands and Germany and expelled from the two countries on separate occasions. Then, back in China, he was arrested in Shanghai in March 1933. While on trial, he showed great resourcefulness and courage in dealing with the enemy in court. While working in the Fourth Front Army of the Red Army, he was held captive by Zhang Guotao in December 1934 for his perseverance in the correct line. He held fast to revolutionary principles and demonstrated his loyalty to the party's interests in adverse conditions. He was later released thanks to the efforts of Comrade Zhou Enlai after the First, Second and Fourth Front Armies of the Red Army joined forces. He carried out a tenacious struggle. He was arrested by the Kuomintang in northern Guangdong Province in 1942. He was elected an alternate member of the 7th Central Committee of the C.P.C. while still in prison. He was finally rescued from prison through the efforts of the C.P.C. Central Committee in January 1946. During the "Cultural Revolution", he demonstrated a deep hatred for the counter-revolutionary cliques of Lin Biao and Jiang Qing and always stood on the correct side in the struggle. After the smashing of the Jiang Qing counter-revolutionary clique, he continued resisting "left" errors and firmly supported and implemented the line of the party since the Third Plenary Session of the 11th Central Committee.

Comrade Liao Chengzhi devoted himself for a long time to consolidating and expanding the patriotic united front embracing Taiwan, Hong Kong and Macao compatriots and Overseas Chinese, and made great contributions to the cause of the unity and reunification of the country. His forefathers, parents as well as he himself were all Overseas Chinese. Therefore, he had deep feelings for and maintained broad contacts with Overseas Chinese and compatriots in Hong Kong and Macao. While in charge of the party's work on Overseas Chinese affairs over a long period, he resolutely carried out the party's policy on Overseas Chinese affairs, cared for and safeguarded the legitimate rights and interests of the Overseas Chinese as well as those of returned Overseas Chinese and their families.

He thus made outstanding contributions to unity with Overseas Chinese, compatriots in Hong Kong and Macao as well as to the consolidation and expansion of the patriotic united front. He enjoyed high prestige among Overseas Chinese and compatriots in Hong Kong and Macao and had their love and respect. On July 24, 1982, he made public his letter to Mr. Chiang Ching-kuo, expressing his earnest wish that the Taiwan authorities would bury the hatchet and help accomplish the great cause of national reunification in the interests of the country and the nation. His letter has exerted an ever-growing influence both at home and abroad.

Comrade Liao Chengzhi always carried out firmly the foreign policy of the party Central Committee. Early in the 1930's, he assisted Comrade Soong Ching Ling and spared no efforts in resistance to the war launched by the fascist aggressors. For half a century, Liao Chengzhi did a great deal of work in opposing aggressive forces, safeguarding world peace and developing the friendship between the people of China and other countries, becoming a well-known international fighter for peace. Of tremendous influence are his special contributions to the growth of the friendship between the people of China and Japan and the friendly relations between the two countries, and to the normalization of Sino-Japanese relations. His foresight and firm stand in international activities won honor for his country. He was modest and sincere in dealing with foreign friends and developed deep friendships with them, embodying the internationalist spirit of our country and party.

Comrade Liao Chengzhi was open and above-board and had a proletarian revolutionary's breadth of vision. He spoke frankly and sincerely and listened attentively to views from all quarters. He met with many people who held differing political views and were from different political groupings or factions. He was skilled at taking the good advice of others and also at explaining the party's policies and principles in his own vivid way. He often won others by what he said and did, uniting an increasing number of people on the basis of patriotism and the principle of seeking common ground while reserving differences.

Comrade Liao Chengzhi was a learned man. Being gifted in many ways, he was a poet, painter, calligrapher and dramatist and had a good command of five foreign languages. He kept on working despite his long illness with heart disease. After he received a heart operation three years prior to his death and realized that he did not have much more time to serve the party, he redoubled his efforts and worked tirelessly, even up to twelve hours a day, and gave his all to the revolution till his heart stopped beating.

The death of Comrade Liao Chengzhi is a heavy loss to our party and state and we are filled with deep sorrow. We should turn our grief into strength, draw on his revolutionary spirit and fine qualities, and work hard to accomplish the tasks he left behind.

We should learn from Comrade Liao Chengzhi who was an earnest student of Marxism-Leninism and Mao Zedong Thought and had firm and unshakable faith in communism, who kept to the revolutionary integrity and optimism of a communist no matter how great the difficulties the revolution encountered, and no matter how much he was wronged.

We should learn from the strong proletarian party spirit of Comrade Liao Chengzhi: following the decisions of the party, paying attention to the party's interests as a whole, being resolute in following the political line of the party Central Committee and giving no thought to personal gain or loss.

We should learn from Comrade Liao Chengzhi who was clear about what to love and what to hate, and learn from his revolutionary spirit of repudiating wrong political lines regardless of personal safety and from his highly principled stand of adhering to the truth.

We should learn from Comrade Liao Chengzhi's fine style: being conscientious in work, maintaining close ties with the masses, being easily approachable, being concerned about other comrades, and caring for cadres working under him. We should learn from his revolutionary spirit of being bold in making reforms and innovations to create a new situation and solve new problems.

In mourning Comrade Liao Chengzhi, we should carry out his behests, rally closely round the party Central Committee, resolutely keep to the guidelines of the 12th National Congress of the party and the First Session of the Sixth National People's Congress, and work hard to make China a powerful modern socialist state with a high degree of democracy and civilization, rally our compatriots in Taiwan, Hong Kong and Macao and Overseas Chinese for the great unity and unification of the motherland, strengthen our cooperation with Japanese friends in all walks of life and friends of all other countries, and work for world peace.

Comrade Liao Chengzhi has left us, but he will go down in history and will live eternally in our hearts.

#### Mourning in Guangdong

HK230257 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 20 Jun 83

[Summary] This morning, with deep sorrow, returned Overseas Chinese family members of Overseas Chinese, and Overseas Chinese affairs workers in Guangzhou held a memorial meeting to mourn Liao Chengzhi, an outstanding leader of the party and the state. The mourning hall was set up in the Guangdong Guest House. Attending the memorial meeting were responsible persons of the provincial and city Overseas Chinese affairs departments, including (Tao Qingning), (Chen Xian), (Ni Hongyu), (Hu Rongding), (Situ Meifang), and (Wu Tianfu); famous figures of returned Overseas Chinese; and Overseas Chinese, Hong Kong and Macao compatriots and Taiwan compatriots who were in the city.

This morning, responsible comrades of the party, government and Army in Guangzhou and responsible persons of all democratic parties went to the Guangdong Guest House to sorrowfully mourn Liao Chengzhi. Those attending the memorial meeting were responsible comrades of the provincial CPC Committee, the provincial Advisory Committee, the provincial People's Congress Standing Committee, the provincial People's Government, the provincial CPPCC Committee, and the provincial Discipline Inspection Committee and some veteran comrades, including Liu Tianfu, Li Ruo, Xie Fei, Wu Nansheng, Wang Ning, Wang De, Yin Linping, (Ye Chenghai), Yang Yingbin, Song Zhiying, Liang Weilin, Chen Yueping, Xue Yan, Fan Xixian, Du Changtiana, Wu Youheng, Yang Deyuan, Liu Jinjie, Wang Pingshan, Kuang Ji, Yang Li, Liao Siguang, and Zuo Hongtao; responsible comrades and veteran comrades, including Wu Kehua, You Taizhong, (Yan Fusheng), Zheuang Tian, Liu Changyi, Shan Yinzhang, Huang Ronghai, Jiang Lindong, Xiao Yuanli, (Chen Haihan), and Ye Jianmin; responsible comrades of the provincial Military District, including (Qi Yannian); responsible comrades of Guangzhou City, including (Zhu Shanlin), (Wang Dongchun), Fan Hua, Ou Chu, and Sun Jiali; and responsible persons of all democratic parties to the province and the city, nonparty personages, and responsible persons of mass organizations and relevant departments,

including Xiao Junying, Zheng Tianjie, Luo Jun, Hu Ximing, Wang Yue, Guo Qiaoran, Chen Zupei, Diao Zhaofen, (Li Jiezhi), (Hu Weifu), (Ling Ruochen), (Peng Guangqing), (Feng Boheng), (Ye Shaohua) (Yao Weihua), (Rui Jianxian), (Li Hu), (Yun Han), (Liang Yizhou), (Jiang Mu), (Fang Wenyu), (Huang Tai), (Chen Ludi), (Lu Yuanxu), (Li Ming), (Zhang Xianqi), (Hou Da), (Xu Xunying), (Xu Xinxing), (Shu Chenbo), (Zheng Mayuan), and (Guo Yiwei).

#### Mourning in Fujian

OW222212 Beijing Domestic Service in Mandarin 1000 GMT 21 Jun 83

[Text] The Overseas Chinese Affairs Departments in Fujian Province mourn with deep grief for Comrade Liao Chengzhi, an outstanding social activist and party and state leader. Mourning halls have been set up in major native places of Overseas Chinese such as Fuzhou, Xiamen, Zhangzhou, Guanzhou and so forth.

Today, groups of returned Overseas Chinese, relatives of Overseas Chinese, Overseas Chinese affairs workers, compatriots from Taiwan, Hong Kong and Macao and foreign nationals of Chinese origin in Fujian Province came to the mourning hall at the Fuzhou Overseas Chinese Building, stood in silent tribute before Liao Chengzhi's portrait and expressed deep grief over the death of Comrade Liao Chengzhi.

Leading party, government and Army comrades in Fujian Province Xiang Nan, Hu Ping and Fu Kuiqing, and people of various circles also took part in today's mourning activities. The mourning activities will continue for 3 days.

#### PLA NAVY NAVIGATION EXERCISE AT NANSHA ISLANDS

HK231044 Beijing ZHONGGUO XINWEN SHE in Chinese 0153 GMT 23 Jun 83

[Article by Tu Zhongwei, Wang Jinzhong, and Yao Ge: "Story of a Voyage to Nansha" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 23 Jun (ZHONGGUO XINWEN SHE) -- Sailing Towards Nansha

Early summer on the South China Sea is the best season for navigation with few typhoons and mild waves. The fleet of the PLA Navy ships left from the Zhanjiang Port for the first long-distance navigation exercise at the Nansha Islands of the motherland.

This fleet of ships in the navigation exercise includes a 20,000-ton oiler and fresh water supply ship, and a 2,000-ton passenger-freight ship. The voyage was to the Zengmu Reef, the southernmost end of the motherland's territorial waters.

After a voyage of 2 days and nights, the closer we came to the shore, the milder the wind and waves became. Sea water became bluer and the temperature increased. Looking into the distance, we saw seagulls hovering in the sky, fish fins in the sea, dolphins chasing one another, and ferocious sharks swimming back and forth. We finally reached the Nansha Islands of the motherland.

On seeing the Nansha Islands, we hurried to check the charts, and found on it that there are more than 200 islands, shoals, and reef breaches scattered in the Nansha Islands. On measuring their distances, we found that the distance between the northernmost Zhennan Reef and the southernmost Zengmu Reef was some 500 nautical miles, and the distance between the easternmost Haima Beach to the westernmost Wan'an Beach was some 400 nautical miles. This is the only sea-lane linking various ports in Northeast Asia with Southeast Asia, Oceania, Africa, and Europe. There are three sea-lanes here. The sea floor of the western lane is flat and the water is deep, suitable for large ships, but hidden reefs and dangerous shoals spread all over the eastern and middle sea-lanes, and only small ships can go through.

We took the western sea-lane and, without the help of a telescope, we could see various ships come and go continuously. Among them, there were container ships, ordinary freighters, and large tankers.

#### A Marvelous Phenomenon in Zengmu Reef

At dawn on 22 May, when the sun was just emerging and rosy clouds was appearing in the sky, our ocean-going fleet of ships reached Zengmu Reef, which was less than 400 kilometers away from the Equator and some 1,800 km from Hailan Island. Cadres and sailors taking part in the exercise on the ships had long gathered on the decks, gazing at the sea.

In fact, Zengmu Reef was invisible. It was a coral reef 20-odd meters under the sea surface. Only according to longitude and latitude specifications on the charts and with the help of the marker buoy on the sea could people locate it. Suddenly, the ships reduced their speed. The satellite navigation screen indicated: 3 degrees and 58 minutes north latitude, 112 degrees and 17 minutes east longitude. This was the correct location of Zengmu Reef. "The buoy! The buoy!" someone shouted. In the direction of the bow and in the far distance where sea and sky joined together, there was a black spot moving up and down, left and right. "Here is Zengmu Reef." All of a sudden, the ships were astir with jubilant people. Telescopes, cameras, and azimuth compass were all directed at the buoy. A siren was sounded and Army flags fluttered. People rejoiced and paid their regards to Zengmu Reef.

About 2100, the two ships were both at anchor. We delightedly boarded a small boat and sailed to the marker buoy. Due to the effect of global gravitation and climate, the sea surface near the Equator was as calm as a mirror. Despite some sea breezes, the boat calmly sailed on the sea, just like in the West Lake. When approaching the marker buoy, we carefully observed it. The lower part of the marker was a large red buoy, rusty and covered with oysters. The iron frame of its middle section was painted yellow, and at the top was a white lamp, continuously emitting light and guiding ships to travel safely. Under the marker buoy was Zengmu Reef. Sharply and quickly, the sailor driving the boat dropped down a heavy depth-sounder in the sea while approaching the floating lamp and found the depth was 25 meters. After taking back the depth-sounder, we found that it was covered with white coral sand. Hurriedly and carefully we scraped it from the depth-sounder and kept it in a collection album as a specimen from Zengmu Reef.

#### Goodbye, Precious Islands

The anchor was weighed. Taking Zengmu Reef as a turning point, the fleet sailed northward along the eastern sea-lane. Contrary to what we encountered when coming, the wind and waves became more and more fierce and the temperature dropped lower and lower. Standing on the deck for quite a long time, we gazed at the sea of the Nansha Islands, hearing the loud and distinct voice of the announcer through the loudspeaker:

-- The Nansha Islands have been China's territory since ancient times. Some descriptions in Chinese history books, such as the "shoal in the rising tide," "the 1,000-li sand beach" and "The 10,000-li rock reefs," all described the islands in the South China Sea, including the Nansha Islands. Zheng He, a famous navigator in the Ming Dynasty, sailed to the West seven times and each time he came here first. Until now, many islands, reefs, shoals, and beaches have been named after Zheng He and his assistants. The Chinese people have waged unyielding struggles to defend the Nansha Islands. Any foreign occupation of the Nansha Islands is illegal.

LEADERS ATTENDS LIU YAZI HONOR CEREMONY

OW221057 Beijing XINHUA Domestic Service in Chinese 1311 GMT 21 Jun 83

[By reporters Qu Jianchong and Liu Womin]

[Text] Beijing, 21 Jun (XINHUA) -- Today is the 25th anniversary of Mr Liu Yazi's death. More than 1,200 personages of various circles in the capital gathered at the CPPCC Auditorium to commemorate this faithful patriot and staunch democratic revolutionary.

Deng Yingchao, Xi Zhongxun, Zhu Xuefan, Yang Jingren, Kang Keqing, Wang Kunlun, Qian Changzhao, Fei Xiaotong, Ye Shengtao, Zhu Muzhi, Ping Jiesan, Li Ding, Wang Bingnan, Mei Yi, Yang Hansheng, Ai Qing, Huang Dingchen, Wu Maosun, Sa Kongliao, Cai Xiao, Peng Youjin, Yang Zhengmin and Lei Jieqiong attended the commemoration meeting.

Liu Lantao, vice chairman of the CPPCC National Committee, presided. [Beijing XINHUA in English at 1150 GMT on 21 June carries a report on a meeting in Beijing on 21 June, commemorating the anniversary of poet Liu Yazi's death, in which it states: "Deng Yingchao, newly elected chairman of the CPPCC National Committee, presided over the gathering."]

In his speech at the meeting, Hu Qiaomu, member of the CPC Central Committee Political Bureau, said: Mr Liu Yazi was a faithful patriot, staunch democratic revolutionary, outstanding poet, cofounder of the Revolutionary Committee of the Chinese Kuomintang and sincere friend of the CPC. In the modern history of the Chinese revolution, Mr Liu Yazi was a noble-minded patriot and progressive personage, widely respected by people of various circles in society. He was known in the world particularly as a poet full of revolutionary zeal. From the beginning of this century to the 1950's, Mr Liu Yazi went through several different historical stages -- the old democratic revolution, the new democratic revolution, and the socialist revolution and construction. It is commendable that he always went with the tide of historical development, sided with the revolutionary people and the revolutionary party and waged an uncompromising struggle against imperialism and the reactionary regimes and forces of the Qing Dynasty, Yuan Shikai and Chiang Kai-shek. He actively supported the CPC and its leaders, and made ineffaceable efforts in winning the victory of the Chinese people's revolution.

Hu Qiaomu said: Mr Liu Yazi was a follower of Mr Sun Yat-sen in the preparatory stage of the bourgeois revolution and during the 1911 revolution. Before the 1911 revolution, he used literature as a weapon to bring to light the danger of imperialists powers carving up China, to call for the overthrow of the feudal, autocratic rule of the Qing Dynasty, and to advocate saving China from peril through revolution, thus playing a role in preparing public opinion for the outbreak of the 1911 revolution. Following the 1911 revolution, he served as a secretary in President Sun Yat-sen's office and participated in the struggles against Yuan Shikai, who declared himself emperor, and against the northern warlords and various feudal restorationist activities.

He Giaomu said: Inspired by the October Revolution and influenced by the new cultural movement, Mr Liu Yazi gradually moved over to the stand of the new democratic revolution after the May 4th Movement. Unswervingly following Mr Sun Yat-sen's new three great policies of alliance with Russia, cooperation with the Communist Party, and assistance to the peasants and workers, Mr Liu Yazi cooperated with the CPC for a long time and waged an unyielding struggle against reactionaries within the Kuomintang. After Chiang Kai-shek staged a counterrevolutionary coup d'etat in 1927, Mr Liu Yazi was forced to flee to Japan. After returning to the country, he acted in concert with Soong Ching Ling, He Xiangning, Peng Zimin and other leftists of the Kuomintang to uphold Mr Sun Yat-sen's three great policies and carried out activities to oppose the landlord and bourgeois autocratic rule of Chiang Kai-shek and to support the left-wing cultural movement.

When Chiang Kai-shek started his counterrevolutionary encirclement and suppression of the Chinese Peasants' and Workers' Red Army, Mr Liu Yazi warmly extolled the revolutionary armed forces, led by Comrade Mao Zedong, and the struggle in the revolutionary base areas and placed hopes on the CPC.

During the war to resist Japanese aggression, Mr Liu Yazi threw himself into activities to resist Japanese aggression and save the nation through engaging in pertinent cultural and propaganda work. When the KMT reactionaries whipped up anticomunist feeling, Mr Liu Yazi made speeches and issued messages to support the CPC's line of going all out to resist Japanese aggression and oppose Chiang Kai-shek's policy of passively resisting Japanese aggression, but actively fighting the Communists.

During the liberation war, Mr Liu Yazi was active in Shanghai and Hong Kong participating and leading the struggle for democracy and against dictatorship and civil war. In the spring of 1949, he accepted the CPC's invitation to attend the CPC meeting in Beijing to discuss national construction. Following the founding of the People's Republic, he served as a committee member in the Central People's Government, vice chairman of the East China Administrative Council and deputy director of the Central Institute of Cultural and Historical Studies. In 1954, he was elected as a deputy to the First National People's Congress and a member of its Standing Committee, thus rendering beneficial service to the construction of New China.

Hu Qiaomu said: Mr Liu Yazi's life was a revolutionary one, a life dedicated to the founding and construction of New China, and the life of a progressive poet.

He added: During the last 25 years since Mr Liu Yazi's death, our country has undergone tremendous changes. After the crushing of the Jiang Qing anti-party clique, we have attained an historic change and our socialist modernization has entered into a new historical period. Today when we commemorate Mr Liu Yazi, we should not merely remember a revolutionary of the older generation; more importantly, we must emulate his patriotic spirit of dedicating his whole life to our country's revitalization and prosperity, his revolutionary spirit of understanding the historical course and advancing along with the time, and his spirit of carrying out strenuous struggle for the revolutionary cause.

Hu Qiaomu concluded: At this historical stage for China, each and every patriot wants a unified country. All those compatriots in Taiwan and Hong Kong, and all Overseas Chinese the world over, who stand for national reunification, are patriots. The CPC is willing to maintain a relationship of "long-term coexistence and mutual supervision" with all parties standing for national reunification. Mr Liu Yazi dedicated his whole life to KMT-CPC cooperation; we earnestly hope the KMT members in Taiwan will judge the hour and size up the situation, act decisively to rejoin hands with the CPC and contribute what they can to the great cause of national reunification.

Qu Wu, Hu Yuzhi and Zang Kejia also spoke at the meeting. They unanimously maintained that, before he died, Mr Liu Yazi was highly concerned about the nation's reunification and the unity of all nationalities, and had always upheld Mr Sun Yat-sen's policy on KMT-CPC cooperation. They supported Comrade Deng Yingchao's remarks at the opening of the First Session of the Sixth CPPCC National Committee that whoever supports national reunification is a patriot, that under the prerequisite of reunification, anything can be talked over, and that, after the nation has been reunified, the CPC and the KMT will cooperate and coexist on a long-term basis and supervise one another. They earnestly hoped that the Taiwan authorities would take the patriotic stand, truly follow Mr Sun Yat-sen's instruction, take the correct course toward's national reunification, join hands with the CPC, cooperate with it for the third time and struggle in unity to build a stronger and more prosperous China.

Before the commemoration meeting, leading comrades of the central authorities and responsible comrades of departments concerned had a cordial meeting with Mr Liu Yazi's daughter, Liu Wufei, and her family in Beijing, and posed for a picture with them. In the evening, Liu Wufei and her family were feted at a dinner given by the CPPCC National Committee and the United Front Work Department of the CPC Central Committee.

DENG YINGCHAO MEETS ZHU BORU IN BEIJING 21 JUNE

OW222031 Beijing Domestic Service in Mandarin 1600 GMT 21 Jun 83

[Text] Deng Yingchao, chairman of the CPPCC National Committee, cordially met with Zhu Boru, a new Lei Feng of the 1980's in the Great Hall of the People on the afternoon of 21 June. She very happily praised Zhu Boru's revolutionary spirit and exemplary deeds.

Deng Yingchao said: Your deeds are very touching. You have done very well. We shall all learn from you.

Zhu Boru, greatly moved, thanked Comrade Deng Yingchao for her encouragement. He expressed his determination to live up to her expectations, remain modest and prudent, diligently study and work and strive to make his share of contributions to the four modernizations.

DENG YINGCHAO WRITES INSCRIPTION FOR ZONG HENG

OW190213 Beijing XINHUA Domestic Service in Chinese 0210 GMT 18 Jun 83

[Text] Beijing, 18 Jun (XINHUA) -- Deng Yingchao, chairman of the CPPCC National Committee, wrote the following, inscription for the first issue of the ZONG HENG [4912 2897] [RANDOM TALKS] journal: "It is an important, imperative and meaningful job that ZONG HENG journal is run well. The journal should introduce modern Chinese history in a lively and concrete manner and should educate the younger generation in patriotic, socialist and communist ideologies."

ZONG HENG is a youth journal on history published by the Historical Data Research Committee under the CPPCC National Committee. The first issue of the journal is scheduled to come off the press in July. The publication of the journal is actuated by the late Comrade Zhou Enlai's call for "educating the future generations with historical knowledge" and for "educating our youths with an understanding of Chinese feudal politics." The journal intends to introduce Chinese politics, military affairs, economy, science and technology, culture, nationalities, religions, Overseas Chinese and Chinese society during the great transformation period from the 1898 reform movement to the eve of the 10 chaotic years of the Cultural Revolution. The journal will report on various historical events mainly by eyewitnesses to the historical period.

Xu Xiangqian, Yang Shangkun, Xu Deheng, Hu Juewen, Zhou Jianren, Hu Yuzhi and Wang Kunlun also wrote inscriptions to congratulate the publication of the journal. Xu Xiangqian's inscription reads: "Understand the present by drawing lessons from the past." Yang Shangkun's inscription reads: "Understand the past, know the present in preparation for the future." To mark the occasion, Liu Lantao wrote an article for the first issue of ZONG HENG. The article was entitled: "Let the Youths Understand the History of the Great Motherland."

DENG LIQUN ATTENDS BEIJING ZHANG HAIDI EXHIBIT

OW181847 Beijing XINHUA Domestic Service in Chinese 0725 GMT 18 Jun 83

[Text] Beijing, 18 Jun (XINHUA) -- The "Exhibition of Deeds by Outstanding CYL Member Zhang Haidi" was officially opened in Beijing today.

Jointly sponsored by the CYL Central Committee, the Shandong Provincial CPC Committee and the Museum of the Chinese Revolution, the exhibition realistically and lively reflects outstanding CYL member Zhang Haidi's course of struggle, her unremitting perseverance in the pursuance of knowledge, her sense of responsibility toward society, and her spirit of wholehearted devotion to serving the people. Articles on display at the exhibition include inscriptions by central leading comrades, photographs of Zhang Haidi with central leading comrades, as well as photos and pictures depicting her studies, work and life in different periods.

CHEN MUHUA ATTENDS TEXTILE EXHIBITION PREVIEW

OW202038 Beijing Domestic Service in Mandarin 1200 GMT 19 Jun 83

[Text] A national exhibition and sales fair for new textile products, the first since the founding of the People's Republic, will officially open tomorrow at the Beijing Exhibition Hall.

Chen Muhua, Ngapoi Ngawang Jigme, Huang Hua, Zhang Jingfu and other central leading comrades as well as deputies of the Sixth NPC and members of the Sixth CPPCC National Committee currently attending sessions in Beijing visited the exhibition and sales fair during its preview.

Products on display include 10 categories: cotton, woolen, linen, silk, dyed-yarn fabric, knitwear, (?copies), articles for industrial use, articles for use by minority nationalities and decorative articles. The products have many new features. On display are 6,000 items, including more than 1,000 dresses of various kinds.

RETURNED OVERSEAS CHINESE FEDERATION HOLDS MEETING

OW202216 Beijing XINHUA Domestic Service in Chinese 0906 GMT 19 Jun 83

[Text] Beijing, 19 Jun (XINHUA) -- The 10th enlarged Standing Committee meeting of the Second National Committee of the All-China Federation of Returned Overseas Chinese was held today in Beijing.

The meeting discussed a work report and a draft revision of the "Constitution of the All-China Federation of Returned Overseas Chinese" to be submitted to the third national congress of returned Overseas Chinese, and adopted a decision on learning from and carrying forward Comrade Liao Chengzhi's revolutionary spirit, a resolution on studying the documents of the First Sessions of the Sixth NPC and Sixth CPPCC National Committee and a decision on strengthening the development of the spiritual civilization in native places of Overseas Chinese.

Zhuang Mingli, vice president of the All-China Federation of Returned Overseas Chinese, presided over today's meeting. The meeting was attended by 112 Standing Committee members and members.

JIUSAN SOCIETY CENTRAL STANDING COMMITTEE MEETS

OW200917 Beijing XINHUA Domestic Service in Chinese 1435 GMT 19 Jun 83

[Excerpts] Beijing, 19 Jun (XINHUA) -- The Jiusan Society held the 20th enlarged meeting of the Standing Committee of its 6th Central Committee in Beijing today. The meeting urged all members of the society to make more contributions to China's development under the inspiration of the spirit of the First Session of the Sixth NPC and the First Session of the Sixth CPPCC National Committee.

The meeting adopted a resolution on convening the fourth national congress of the society in October of 1983 -- sooner than originally planned.

In his opening speech, Xu Deheng, chairman of the Jiusan Society, said: The First Session of the Sixth NPC and the First Session of the Sixth CPPCC National Committee -- in progress -- will yield profound effects favorable to consolidation and the development of China's new situation of great unity and unification and to the development of China's socialist cause.

Sun Chengpei, vice chairman of the Jiusan Society, explained some questions concerning the convening of the fourth national congress of the society sooner than originally planned and the election of deputies to the national congress.

Ke Zhao, vice chairman of the Jiusan Society, presided over the meeting. The meeting's participants included Vice Chairmen Pan Shu and Jin Shanbao of the society, the central Standing Committee members of the society in Beijing, and responsible persons of some local organizations of the society who are attending the NPC and CPPCC sessions.

FOURTH WRITERS CONGRESS TO BE HELD IN 1983

OW191239 Beijing XINHUA in English 1225 GMT 19 Jun 83

[Text] Beijing, June 19 (XINHUA) -- The Chinese Writers Association announced today that the fourth writers congress will be held late this year. Zhang Guangnian, vice-chairman of the association, said that the congress aims to further develop the socialist nature of literature, encourage the writers to strive for new heights of creative writing and promote the unity among the writers. He said this at a tea party the association hosted in honor of the writers attending the current National People's Congress and the Chinese People's Political Consultative Conference. He hoped that the NPC deputies and the CPPCC members will communicate the idea to the writers in various parts of the country. A successful congress, he added, is expected to usher in further thriving of Chinese literature under the orientation of serving the people and socialism and the policy of "letting a hundred flowers blossom and a hundred schools of thought contend".

Among the more than 100 present at the tea party today were Xia Yan, He Jingzhi, Ding Ling, Feng Zhi, Feng Mu, Ai Qing, Liu Baiyu, Sha Ding, Chen Huangmei, Zhao Xun, Li Ying, Zang Kejia, Zhu Ziqi and Wang Meng.

The third writers congress was held in the end of 1979, shortly after the revival of the association. At that time the association had a membership of no more than 1,100, against 1,900 members today.

PEASANTS PARTY SUPPORTS NPC, CPPCC GUIDELINES

OW240535 Beijing XINHUA Domestic Service in Chinese 1536 GMT 23 Jun 83

[Text] Beijing, 23 Jun (XINHUA) -- The 12th (enlarged) meeting of the 8th Central Standing Committee of the Chinese Peasants and Workers Democratic Party was held here this afternoon. The meeting called on the party's organizations at all levels and all its members to regard the implementation of the guidelines of the First Session of the Sixth NPC and the First Session of the Sixth CPPCC National Committee as the paramount political task at present and to work hard to create a new situation in the party's work.

A resolution adopted at the Standing Committee meeting said that the First Session of the Sixth NPC and the First Session of the Sixth CPPCC National Committee were two grand meetings of major importance in China's new historical period. It called on the party's organizations at all levels to implement the guidelines of the two sessions, further implement the policy of "long-term coexistence and mutual supervision" and of "showing utter devotion and sharing honor or disgrace together" and, while upholding the four fundamental principles, independently carry out their various work. It also asked the party's organizations at all levels to organize and mobilize party members to do a good job at their respective posts and, at the same time, orient themselves to the needs of society with greater initiatives. It asked them to help spread knowledge, take part in consultation service and activities in support of the development of intellectual resources in the border areas and to make greater contributions to the accomplishment of the three major tasks of the motherland in the 1980's and to the revitalization of China.

Zhou Gucheng, vice chairman of the Central Committee of the Chinese Peasants and Workers Democratic Party, spoke at the meeting.

Shen Qizhen, Liu Shuxun, Yan Xinmin, Xu Biru and Ye Jiequan, also vice chairman of the party, attended today's meeting.

DENG YINGCHAO CHAIRS CPPCC COMMITTEE MEETING

OW241002 Beijing XINHUA Domestic Service in Chinese 0846 GMT 24 Jun 83

[Text] Beijing, 24 Jun (XINHUA) -- The first meeting of the Standing Committee of the Sixth CPPCC National Committee was held at the CPPCC National Committee Auditorium this morning. The meeting was led by Deng Yingchao, chairman of the CPPCC National Committee. The meeting approved the appointment of Yang Zhengmin, Lu Ping, Luo Hanxian, Cheng Siyuan, Ye Zhishan, Fang Rongxin, Fan Taozhai, Sun Yiqing and Song Demin as deputy secretaries general of the Sixth CPPCC National Committee.

Regarding reorganization of the operational organs and leading members of the CPPCC National Committee, the Standing Committee authorized the CPPCC National Committee's council of chairman and vice chairmen to make a decision through consultation with other departments concerned and submit it to the second meeting of the Standing Committee for retroactive endorsement. At today's meeting Qu Wu, Qian Jiaju, Tang Yuanbing, Chen Shunli, Shen Qizhen and Huang Dingchen presented many fine opinions on implementation of the decision adopted by the first meeting of the Sixth CPPCC National Committee: improvement of the Standing Committee's operation, strengthening of national unity, acceleration of the great cause of national reunification, improvement of economic results, popularization of primary education, development of people-to-people diplomacy, and other issues.

They indicated that, under CPC leadership, they would bring the CPPCC's consultative and democratic supervisory role into positive play, work hard to fulfill the various demands set forth by the First Session of the CPPCC National Committee and further improve CPPCC National Committee operation.

Present at today's meeting were CPPCC National Committee Vice Chairmen Yang Jingren, Lieu Lantao, Lu Dingyi, Cheng Zihua, Kang Keqing, Pagbalha Geleg Namgyai, Hu Ziang, Wang Kunlun, Gian Changzhao, Dong Giwu, Tao Shiyue, Zhou Shutao, Yang Chengwu, Xiao Hua, Chen Zaidao, Lu Zhengcao, Zhou Jianren, Zhou Peiyuan, Miao Yuntai, Wang Guangying, Fei Xiaotong, Zhao Puchu and Ye Shengtao.

#### WORK GROUPS TO SUPERVISE ENTERPRISE CONSOLIDATION

OW200947 Beijing XINHUA Domestic Service in Chinese 0213 GMT 19 Jun 83

[By correspondent Xu Yaozhong]

[Text] Beijing, 19 Jun (XINHUA) -- The government departments under the State Council have organized 146 work groups to examine and supervise enterprise consolidation in various localities it was learned by this reporter from the State Economic Commission. The effort is aimed at promoting the task of consolidating enterprises which has been moving rather slow in most areas.

According to statistics compiled by 22 departments, the work groups consist of more than 1,100 members, including 18 ministers and vice ministers and 104 bureau and division chiefs. Moving faster than others were the Ministry of Ordnance Industry, the Ministry of Machine Building, the Ministry of Electronics Industry, and the Ministries of Metalurgical and Aviation Industries. The work groups dispatched by these ministries have arrived at the grassroot level enterprises.

Acting in accordance with the requirements set forth by the central leading comrades, these 146 work groups will help the enterprises solve problems during structural reorganization. They will set high standards and strict demands for the task of enterprise consolidation.

#### BA YI RADIO ON U.S. INFRINGEMENT ON PRC

OW190325 (Clandestine) Ba Yi Radio in Mandarin to China 1325 GMT 17 Jun 83

[Unattributed commentary]

[Text] On Sino-U.S. relations, Comrade Zhao Ziyang said at the NPC session: We will never tolerate any infringement on China's sovereignty or any interference in its internal affairs.

This warning to U.S. leaders is very correct and timely. The Americans should know that we have always dealt the most resolute counterblows at whoever violated China's freedom and independence or humiliated our national dignity. The heavy blows dealt at U.S. imperialists by the Chinese people during the war to resist U.S. aggression and aid Korea was precisely a most valuable historical lesson from which the Americans should take warning.

On 25 June 1950, U.S. imperialists started a war of aggression against the Democratic People's Republic of Korea. At the same time, they openly made armed incursions into China. U.S. President Truman ordered the U.S. 7th Fleet to enter our Taiwan Strait and blockade our coastal areas. The Americans also occupied Taiwan Province by force. The arrogant U.S. imperialists defied world opinion and regarded Taiwan Province as a major offensive base of U.S. Armed Forces. Today, U.S. imperialists still keep Taiwan under their tight grip and call it their unsinkable aircraft carrier. This in fact is a new crime committed by them against the Chinese people.

While U.S. imperialists were starting the war of aggression against Korea and occupying our Taiwan Province, they colluded with the Chiang Kai-shek clique in actively planning a counterattack on mainland China. A large number of U.S. imperialist troops fanatically pressed on towards the Yalu River in an attempt to invade China. Enemy aircraft wantonly and indiscriminately bombed the cities and villages in our north-eastern provinces and destroyed many of our factories, bridges and railroads. The U.S. 7th Fleet sank many of our merchant ships and fishing boats in our territorial waters, conducted bombing raids on our coastal cities and villages, destroyed many buildings and killed countless civilians. U.S. imperialists and the Kuomintang troops planned to land at many locations on China's east and southeast coastal areas.

To counter U.S. imperialists' shameless acts of aggression, a movement to resist U.S. aggression and aid Korea was launched throughout China. On 25 October 1950, an advance party of the Chinese People's Volunteers crossed the Yalu River and engaged in a hand-to-hand fight with U.S. bandits. Together, our People's Volunteers and the Korean People's Army dealt vehement blows at the aggressors, stopped the enemy offensive, and forced the enemy to retreat.

The frenzied U.S. imperialists, not reconciled to their defeat, used the most barbarous means of war in an attempt to turn the tide. They began to use napalm and cluster bombs, bomb hospitals and ambulances, and recklessly torture prisoners of war. They even attempted to hire Japanese war criminals to carry out a bacterial war in China's northeastern provinces and North Korea. U.S. President Truman and other U.S. imperialist chieftains threatened China and North Korea with atomic bombs. However, the imperialists' atrocities did not make them win as they expected. Our heroic People's Volunteers under the command of Commander in Chief Peng [Dehuai] and the Korean troops repeatedly battered the aggressors and finally forced U.S. imperialists into armistice talks.

U.S. imperialists paid a great price for their invasion of China. During their aggression against Korea, U.S. imperialists and their accomplice lost over 1 million men, of whom 390,000 were U.S. officers and soldiers. Our army shot down or damaged 12,200 enemy aircraft, sank or damaged 257 enemy warships, and destroyed or captured a large number of weapons and military equipment. During the 3 years of aggression against Korea, the United States spent \$80 billion and suffered a complete defeat militarily and morally. Today, it is indeed necessary for U.S. imperialists to review this historical lesson. The Chinese people will never tolerate any infringement on China's sovereignty or any interference in its internal affairs just as Premier Zhao Ziyang said at the NPC session.

JIANGZI SUPPORTS NEW NATIONAL LEADERS

## CPPCC Members

OW230523 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 21 Jun 83

[Excerpts] The Jiangxi Provincial CPPCC Committee on the morning of 21 June held a discussion meeting of personages from various circles to warmly congratulate and sincerely support the new state leaders and the leader of the CPPCC National Committee elected respectively by the First Session of the Sixth NPC and the First Session of the Sixth CPPCC National Committee.

The meeting was presided over by Comrade Wu Ping, chairman of the provincial CPPCC Committee. Speakers at the meeting included He Shikun, vice chairman of the provincial CPPCC Committee and chairman of the Jiangxi provincial committee of the Chinese Peasants and Workers Democratic Party; Guo Qingfen, vice chairman of the provincial CPPCC Committee; chairman of the Jiangxi Provincial Association for Science and Technology and vice chairman of the Jiangxi provincial committee of the China Democratic League; Li Shanyuan, vice chairman of the provincial CPPCC Committee and chairman of the provincial Federation of Industry and Commerce; (Zhang Daosheng) and (Liu Zhenggao), vice chairmen of the provincial committee of the China Democratic National Construction Association; Huang Xiandu, vice chairman of the provincial committee of the Revolutionary Committee of the Revolutionary Committee of the Chinese Kuomintang; (Zhou Hanzen), vice chairman of the provincial committee of the Chinese Peasants and Workers Democratic party; (Xue Shiliang), responsible person of the Nanchang cell directly under the central committee of the Kiusan Society; (Li Yude), chairman of the provincial trade union council; Gao Dongmei, vice chairman of the provincial Women's Federation; (Jia Shanlai), deputy secretary of the provincial CYL Committee; (Peng Hongfu), chairman of the provincial Association of Returned Overseas Chinese; (Lin Yisheng), chairman of the provincial Association of Taiwan Compatriots; (Tu Changgui), (Fan Yousheng) and (Li Yukun), members of the Standing Committee of the provincial CPPCC Committee; and (Wang Mengshi), representative of minority nationalities. They cheerfully said: The newly elected state leaders are all proletarian revolutionaries who enjoy high prestige, command universal respect and have made great contributions in the protracted revolutionary struggle. Their election reflects the common wish of the 1 billion people of the whole country.

Also attending the discussion meeting were Lu Liang, vice chairman of the provincial CPPCC Committee, and (Liu Yurui), secretary general of the committee.

The CPPCC Nanchang City Committee held a discussion meeting of personages of various circles on the morning of 20 June to congratulate and support the newly elected state leaders.

## Provincial Deputies

OW221213 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 21 Jun 83

[Excerpts] The Standing Committee of the Jiangxi Provincial People's Congress held a forum among some of its members and some deputies of the provincial People's Congress who happened to be in Nanchang on the afternoon of 20 June. Comrades attending the forum had high praise for the new state leaders elected by the First Session of the Sixth NPC and the First Session of the Sixth CPPCC National Committee.

Wang Zemin, Zhang Yuqing, Xie Xianghuang and Huang Xiandu, vice chairmen of the Standing Committee of the Jingxi Provincial People's Congress, said cheerfully: The Sixth NPC has elected outstandingly competent and experienced Li Xiannian, Peng Zhen, Zhao Ziyang, and Deng Xiaoping as the principal leaders of the state; the First Session of the Sixth CPPCC National Committee has elected the courageous Deng Yingchao its chairman. This fully accords with the will of the people. All of them enjoy popular confidence. We raise both hands to show our support.

Li Shanyuan, deputy to the provincial People's Congress and chairman of the Nanchang City Federation of Industry and Commerce, and (Lei Shimao), chairman of the Nanchang City Committee of the China Democratic League, said that the election results of the First Session of the Sixth NPC and the First Session of the Sixth CPPCC National Committee fully accord with the wishes of the people. They said: The elections at the two sessions fully demonstrate the perfection of our state system and the improvement in the democratic system. From now on, we people from all circles must follow the principle of long-term coexistence and mutual supervision and treating each other with all sincerity and sharing weal and woe in our relations with the CPC, and contribute our wisdom and efforts to our motherland's prosperity.

(Li Mingqin), member of the Standing Committee of the provincial People's Congress and a veteran Red Armyman, who took part in the 25,000-li Long March, was immensely joyful after listening to radio broadcasts and watching the TV news. He said: Comrade Deng Xiaoping's election as chairman of the state Military Commission is of tremendous significance in insuring our state's lasting peace and stability and in promoting our army's revolutionization, modernization, and regularization.

#### HANGZHOU MILITIA HAILS NEW NATIONAL LEADERS

OW200835 Hangzhou Zhejiang Provincial Service in Mandarin 1030 GMT 19 Jun 83

[Text] While people are elated with the election of new state leaders by the NPC and the National CPPCC Committee, the Fourth Hangzhou City Militia Congress solemnly opened this morning in Hangzhou. Political Commissar (Ma Jiliang) and Deputy Political Commissar (Yao Tao) of the provincial Military District attended the congress and delivered speeches. Also attending the congress were responsible comrades of the Hangzhou Municipal CPC Committee, the municipal People's Government, the municipal People's Congress, and the municipal CPPCC Committee.

The more than 600 militia deputies attending the congress unanimously supported the newly-elected state leaders. All of them had listened to radio broadcasts and held discussion meetings. The militia deputies said: The newly-elected state leaders have won the full confidence of Armymen and people throughout the country. Their election has fully reflected the aspirations of all of the people in the country. They said: We militiamen are determined to play our role in developing the two types of civilization well, to continue to carry out the various activities to learn from Lei Feng, Zhang Haidi and other advanced figures, and to make positive contributions to promoting the four modernizations program and to safeguarding social order.

GUANGZHOU PLA LEADERS SUPPORT NEW LEADERSHIP

HK230839 Guangzhou NANFANG RIBAO in Chinese 20 Jun 83 p 1

[Report by He Jinsheng and Cao Guangxiong: "Guangzhou PLA Units' Responsible People Hold Forum to Express Warm Support for New State Leaders"]

[Text] At a forum held yesterday morning, responsible people of the Guangzhou PLA units spoke glowingly of the great significance of the election of new state leaders and expressed hearty support for the new state leadership.

The forum is presided over by You Taizhong, commander of the Guangzhou units. Also attending were responsible people of the Guangzhou units and leading organs of the units.

Comrades joyfully said that the Sixth NPC elected and decided on new state leaders, and the Sixth CPPCC elected its new leaders, in a democratic way on the basis of repeated, prolonged consultations and discussions. This fully reflects the vigorous situation in our nation's political life and the healthy development of our democratic system. That the Sixth NPC elected Li Xiannian as PRC state president, elected Peng Zhen as chairman of the NPC Standing Committee, decided to appoint Zhao Ziyang as premier of the State Council, and elected Deng Xiaoping as chairman of the Central Military Commission, and that the Sixth CPPCC elected Deng Yingchao as chairman of the CPPCC National Committee, all conform to the will of the whole party, the whole Army, and the people throughout the country. With these revolutionaries who have strategic insight and rich experience in managing state affairs at the helm of our state leadership, the prospects for realizing the four modernizations are very hopeful. We wholeheartedly support the new state leaders!

Many comrades attending the forum pointed out that the Army constitutes an important component of the state, so all of us -- commanders and soldiers of the Guangzhou PLA units -- must resolutely maintain a uniform political position with the party central leadership and the state leadership and absolutely obey the orders of the party and state authorities, with concrete actions for creating a new situation in revolutionaryizing and modernizing the Army at a quicker speed, making greater contributions to the smooth realization of the objectives laid down by the Sixth NPC.

Responsible people of the Air Force and the Navy of the Guangzhou PLA units held discussion meetings after watching television news reports on the evenings of 18 and 19 May, and warmly celebrated the election of new state leaders.

At the meetings, comrades glowingly said: "The newly elected state leaders have high prestige and outstanding ability. Their election conforms to our wish and conforms to the will of the whole army and all the people." They excitedly pointed out that with state leaders whom we can completely count on, we are more confident in and more hopeful about the quicker realization of our Army's revolutionaryization, modernization, and regularization. At present, we must take concrete actions to do a better job in our own posts so as to express our trust in and our support for the leaders of the state and the Central Military Committee.

XINHUA REPORTS ON TORRENTIAL RAIN IN GUANGDONG

OW231523 Beijing XINHUA in English 1110 GMT 23 Jun 83

[Text] Guangzhou, June 23 (XINHUA) -- Heavy, occasionally torrential rains have hit the northern, central and eastern parts of Guangdong Province since June 15, according to provincial authorities. The resulting deluge brought the Beijiang, Dongjiang and Hanjiang rivers above the warning water level, the authorities said. Water level in a number of sections is close to the highest ever.

In some areas, torrents of water rushed down mountains, breaching dams and dikes and submerging farmland.

Immediately after the disaster, local party and government leaders and People's Liberation Army soldiers sped to the scene to aid in the rescue and relief work.

On June 19, the Shantou prefectural government sent 50 tons of food to the flood-ravaged area, provincial authorities said. Trucks and rubber boats were sent out by local army and navy units to carry relief material and to rescue stranded flood victims. By June 20, people in Haifeng and Lufeng Counties were out of danger, the authorities said.

On the morning of June 20, a section of the dike along the Xizhi River in Huiyang Prefecture caved in, a matter immediately reported to the Huizhou City flood-control headquarters by Zhang Bingqiu, deputy secretary of the city party committee, who was guiding rescue work on the spot. A pile-driving team and a PLA engineering company rushed to the scene and the cave-ins were checked and the dike saved, following six hours of hard work by workers and armymen.

To assist in the flood-combating drive, the provincial capital of Guangzhou has prepared 100,000 straw bags, similar number of straw mats and other materials.

#### GUANGDONG WARNING ON FOREIGN EXCHANGE CERTIFICATES

HK240315 Guangzhou Guangdong Provincial Service in Mandarin 2350 GMT 23 Jun 83

[Text] A responsible person of the Guangdong branch of the State Foreign Exchange Control Bureau said that foreign exchange certificates will continue to be in use but controls over them must be strengthened. The responsible person of this branch said that those units authorized by the Foreign Exchange Control Bureau to accept foreign exchange certificates must have proper procedures for their receipt, and improve the system for their withdrawal from circulation. Except for a stipulated amount kept as petty cash, all money in foreign exchange certificates must be handed over in time to the bank and entered in the account book accordingly. Those units not authorized to accept foreign exchange certificates must also promptly cash with the bank those foreign exchange certificates received under special circumstances. Units are strictly forbidden to secretly keep foreign exchange certificates as capital and distribute them privately.

Without authorization, units are not allowed to use foreign exchange certificates in settlement of accounts between themselves. Individuals are also strictly forbidden to buy and sell foreign exchange certificates privately. All those who are found to have acted against the relevant regulations must be strictly dealt with in accordance with the state foreign exchange control regulations and the relevant stipulations. Any unit or individual can report on all those who act against regulations governing foreign exchange certificates. Those units and individuals who render meritorious services in finding out any culprit will be rewarded.

SICHUAN HOLDS MEETING ON SAFETY OF TEACHERS

HK231436 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 23 Jun 83

[Text] On the evening of 21 June, the provincial CPC Committee and the provincial government jointly held a telephone conference, demanding that departments at all levels of the party and the government throughout the province further implement the policy on intellectuals and, in accordance with the relevant instructions of the central authorities and the provincial CPC Committee, continue to organize forces to clearly investigate and strictly deal with as quickly as possible the incidents in some places of humiliating and assaulting teachers. It is essential to show warm concern for teachers, enhance their political status, and establish the social custom of respecting teachers and cherishing schools.

Jiang Minkuan, provincial CPC Committee deputy secretary and vice governor, presided over the conference. On behalf of the provincial CPC Committee and the provincial government, Song Dafan, provincial CPC Committee Standing Committee member, spoke on the situation in dealing with cases of humiliating and assaulting teachers in all places and on several current problems to which the education front throughout the province must pay attention.

Xu Quan, provincial CPC Committee Standing Committee member; and Wang Yichun, deputy secretary of the provincial Discipline Inspection Committee, attended the conference. Also attending the conference were leading comrades of all city, prefectoral, and autonomous prefectoral CPC Committees and the government who are in charge of education; and responsible comrades of organs at the provincial level and all relevant departments of cities, prefectures, and autonomous prefectures. Responsible comrades of Chongqing City, and Neijing and Daxian Prefectures spoke at the conference.

The conference emphatically pointed out: Now is a good opportunity for all places to step up dealing with the incidents of humiliating and assaulting teachers. The provincial CPC Committee and the provincial government demands: CPC committees and governments at all levels must now regard dealing with the incidents of humiliating and assaulting teachers as important work, include it on their agenda, take resolute measures to grasp it firmly and well, and achieve good results.

SICHUAN'S WANG CHENGHAN SEES 'LONG MARCH' HEROES

HK240344 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 23 Jun 83

[Summary] "On the afternoon of 21 June, Wang Chenghan, commander of the Chengdu PLA units; and Wan Haifeng, political commissar, warmly received (Wei Chongde), commune member in (Anqing) Farm, Shimian County; and (Zhu Wancai), commune member in (Anxian) farm. These two old men were boatmen who helped Red Armmen cross the Daduhe River by force in the Long March."

These two old boatmen were invited to attend the celebrations of the Beijing PLA units to mark the 50th anniversary of the founding the 1st Red Division. During they stay in Beijing, they were warmly received by Yang Dezhi, commander of the 1st Red Regiment, who then directed the Red Army to cross the river to go into battle, now chief of general staff.

On their way home via Chengdu, Wang Chenghan, commander of the Chengdu PLA units; and Wan Haifeng, political commissar, visited them.

HEBEI 'URGENT' CIRCULAR ON CONSTRUCTION

HK230329 Shijiazhuang Hebei Provincial Service in Mandarin 0400 GMT 17 Jun 83

[Excerpts] The provincial People's Government recently issued an urgent circular demanding that the province strictly control the scale of capital construction.

The circular said: At the beginning of this year, when arranging the province's capital construction plans, the various localities and departments seriously implemented the State Council's regulations on strictly controlling the scale of investment. However, according to a recent investigation, the size of capital construction done with self-raised investment has shown signs of growing. The size of some projects is larger than planned. Certain units have made all kinds of excuses and pretexts to carry out in a disguised way projects that are not covered by the plan. Some have arbitrarily raised the standards of construction, increased or altered the contents of construction projects, left gaps in investment, and so on.

In order to further implement the series of instructions and regulations of the CPC Central Committee and State Council on strictly controlling the scale of investment, the circular makes the following demands:

1. It is essential to strictly follow the capital construction plans approved and transmitted by the provincial authorities. No place or department may arbitrarily expand the scale of construction, increase or alter the contents of projects, or carry out construction not covered by the plan under any excuse or pretext. Otherwise, the leadership personnel concerned will be held accountable.
2. The prefectures and cities must arrange the investment plans regarding capital construction done with self-raised investment with the figures approved and controlled by the provincial authorities. Those figures must not be exceeded.
3. It is necessary to immediately halt construction on all construction projects not covered by the plans examined and approved by the provincial planning committee or the authorized prefectoral and city planning committees, and also on projects whose size has been arbitrarily increased or whose contents have been increased or altered.
4. With the planning committees as the main force, it is necessary to coordinate with the departments concerned to do a good job in taking stock of projects not covered by the plan. The results of this action in the prefectures and cities must be reported to the provincial planning committee, statistics bureau, and construction bank by the end of June. The construction banks must stop allocating funds for projects not covered by the plan, and the construction units must stop building them.
5. The intention of the provincial CPC Committees relevant documents is reiterated. Construction investment raised by units themselves must be deposited in the construction banks for use under supervision. Other banks may not handle capital construction funds.

LIAONING'S LI DESHENG VISITS EXAMINATION SITE

SK190338 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 18 Jun 83

[Text] The 1983 provincial higher educational examination for persons who have engaged in self-study began on 18 June. The large number of examinees were full of joy to take the examination at 1,452 examination rooms of 33 test centers in 12 cities and localities in the province.

In the recent few years, more and more cadres at posts, staff members, workers, job-awaiting youths, and rural commune members across the province have been devoted to self education and have been full of enthusiasm for study. After a long-term self education, they vied with one another to take the examination. This year, some 22,000 persons applied for the examination.

Li Desheng, Politburo member and commander of the Shenyang PLA units; Liu Zhenhua, Politburo member of the Shenyang PLA units; Li Tieying, secretary of the provincial CPC Committee; (Ren Dianxi), secretary of the Shenyang City CPC Committee, and (Chen Qingyuan) and (Fan Jingyan), deputy mayors of Shenyang City, visited the examinees at the examination room of the Shenyang City No 23 Middle School. When leading comrades entered the examination room before the examination, they were warmly welcomed by the examinees. Leading comrades extended greetings to the examinees and encouraged them to conscientiously take the examination and to get good results.

The examination will last 3 days. The subjects in the examination include philosophy, politics, economics, language, party history in the PRC, English, history, [words indistinct], mathematics, and [words indistinct].

LIAONING PROVINCE TO SOLICIT FOREIGN FUNDS

OW231432 Beijing XINHUA in English 1408 GMT 23 Jun 83

[Text] Shenyang, June 23 (XINHUA) -- Liaoning Province, China's leading heavy industrial center, will propose 126 projects to solicit foreign investment at an international economic and technical cooperation discussion to be held in September.

Deputy Governor Wang Guangzhong announced this yesterday at a meeting of foreign trade officials in Shenyang, capital of the province.

The international economic and technical cooperation discussion will help the province to attract foreign funds for modern technology and equipment. The investment will be used to retool existing enterprises, most of which are now equipped with machines made in the 1950's.

During the Sixth Five-Year Plan period (1981-85), the province will start 397 projects using foreign funds, Wang said. These will include the 126 projects to be proposed at the discussion between September 15 and 25 in the port city of Dalian, he added.

The discussion, the deputy governor said, will showcase China's open policy and the province's "good environment and conditions for investments."

The province, Wang said, will make "positive efforts" to start more joint ventures and cooperation projects and expand its compensation trade, processing with supplied materials, leasing and other businesses.

From 1979 to 1982, he said, the province started 432 projects to renovate 380 existing enterprises. This involved 175 million U.S. dollars in foreign funds.

CONSTRUCTION UNDER WAY ON 3 HIGHWAYS IN LIAONING

SK211218 Shenyang LIAONING RIBAO in Chinese 26 May 83 p 1

[Text] Construction and reconstruction of three large highways projects is in full swing in our province. These three highways are: The Shenyang-Shanhaiguan section of the Beijing-Harbin highway; the Shenyang-Dalian section of the Dalian-Aihun highway; and the Beizhen-Yangshan highway. By the middle of May, some 250 km of the Shenyang-Shanhaiguan highway section had been paved with asphalt. The construction of 10 or more bridges ranging from 100 to 1,000 meters long and some 40 culverts along this highway section has been completed.

These three highways are the main traffic trunk lines connecting the three northeast provinces of China and leading to Shanhaiguan. The total investment in the construction of these three highways is about 700 to 800 million yuan. While building and re-building these three highways, several hundreds of large, medium-sized, and small bridges will be built across the Shihe, Hunhe, Liuguhe, Taizihe, Dalinghe, and Yubaotai Rivers, which are located along this section. Of this, there will be a total of some 40 large 100-meter-long bridges with some 1,000 culverts. Some of these construction projects have been completed while some are under construction. It is planned that all these construction projects will be completed within the "Seven 5-Year" Plan period. By that time, the Shenyang-Dalian highway will reach the first-grade highway standards of the country. On the 23-meter-wide roadbed, a 15-meter-wide good quality asphalt road surface will be laid. This highway, with lanes in both directions, will be wide enough to accommodate four cars driving abreast. The capacity of traffic flow per day will reach some 20,000 vehicles, more than twice the present capacity. This highway will run through some 10 counties, including Liaoyang, Anshan, Gai, Haicheng, Xinjin, and Jin Counties, and will connect with Yingkou, Bayuquan, and Dalian ports. This will basically meet with the needs of our province's economic development.

Construction of these three highways was started separately in 1975 and in May of 1982. Initial achievements have been made in the reconstruction of the Shenyang-Shanhaiguan highway section and some 250 km of road surface was laid, accounting for more than 50 percent of the construction task. The width of the road was expanded from 7 meters to 9 meters. Along this road section, there are 10 or more large 100-meter-long bridges. The construction of all these bridges was completed with the exception of Qiangliuhe bridge, which is being constructed. It is anticipated that the construction of the roadbed and most of the road surface will be completed by 1985. The construction of the Beizhen-Yangshan highway began last September. By the end of this April, about 12 percent of the total investment in this project had been paid. Blasting cliffs at Qianmalong is crucial in building this highway and an opening through the cliffs was recently made. Since 1980, two construction contingents have been working simultaneously in Shenyang and Dalian to speed up the construction of the Shenyang-Dalian highway.

LIAONING MEMORIAL SERVICE FOR DRAMATIST HELD

SK240413 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 23 Jun 83

[Excerpts] A memorial service for famous dramatist Luo Qing, deputy secretary of the party organization of the provincial cultural bureau, acting director of the provincial cultural bureau, Standing Committee member of the provincial CPPCC Committee, member of the National Committee of China Federation of Literary and Art Circles, permanent member of Chinese Dramatists Association and chairman of the Liaoning provincial branch of Chinese Dramatists Association, was held in Shenyang this morning.

After all medical measures proved ineffective in treatment of Comrade Luo Qing's sudden heart attack, he died in Shenyang at 1700 on 16 June. He was 64 years of age this year.

Attending the memorial service and presenting wreaths were provincial-level leaders and comrades of some relevant departments, including Huang Oudong, Li Tieying, Li Huang, Li Tao, Shen Xianhui, Zhu Chuan, Liu Yiyun, Yang Dayi, Luo Dingfeng, Zhao Qi, Wang Kuncheng, (Yu Dingxing), Zhang Qingtai, (Fang Zheng), (Ma Jia), and (Bai Lao). Also attending the memorial service were representatives of the provincial and prefectural federations of cultural circles. Deputy Governor Zhang Zhiyuan chaired the memorial service. Shen Xianhui, Standing Committee member of the provincial CPC Committee and director of the propaganda department, delivered a speech at the memorial service.

The provincial CPC Committee, People's Congress Standing Committee, People's Government, and CPPCC Committee presented wreaths. Ministry of Culture, China Federation of Literary and Art Circles, and Chinese Dramatists Association sent messages and letters of condolence and wreaths.

Also presenting wreaths were Guo Feng, Quan Shuren, Hu Yimin, Deng Yu, Wang Guangzhong, Zhang Tiejun, Li Guixian, Chen Beichen, Tang Hongguang, (Liu Danhao), (Chen Youzhong), (Hou Qiheng), (Liu Dafeng), Zuo Kun, Peng Xiangsong, Zhang Yan, and (Yu Jingxin).

#### LIAONING MEETING ON COLLECTIVE ECONOMY

SK210052 Shenyang Liaoning Provincial Service in Mandarin 1100 GMT 20 Jun 83

[Excerpt] The provincial work conference on urban collective economy, sponsored by the provincial CPC Committee and government, has concluded. Conference participants thoroughly and painstakingly studied the issue of accelerating the development of urban collective economy in line with our province's specific situation.

Leaders of relevant departments under the provincial CPC Committee and government attended the conference. Leading comrades, including Dai Suli, Wang Guangzhong and Li Guixian, delivered speeches at the conference.

The conference concentrated on discussion of the issue of how to develop urban collective economy and the issue of readjusting and restructuring existing collectively owned enterprises. Seven typical units introduced their experiences at the conference.

Since 1982, the Shenyang City CPC Committee and government have been conducting and restructuring existing collectively owned enterprises in a well-organized, guided, planned and step-by-step manner. Remarkable results have been achieved.

Comparing the first quarter of this year to that of 1982, the output value of Shenyang City's collectively owned industrial enterprises increased by 16.4 percent and the income tax handed over the state by collectively owned industrial enterprises increased by 74.8 percent.

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PRC REGIONAL AFFAIRS  
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GANSU'S LI ZIQI ON RECTIFYING PARTY WORK

HK200246 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 19 Jun 83

[Excerpts] Provincial CPC Committee Secretary Li Ziqi pointed out at a meeting of leading cadres of the provincial organs yesterday: We must continue to implement the spirit of the Second Plenary Meeting of the CPC Central Committee Discipline Inspection Commission. All levels of the province must spend a concentrated period of time in arresting the current three most harmful practices, centering on correcting unhealthy practices in house building and allocation, and promote a further turn for the better in party work style.

Comrade Li Ziqi pointed out in his speech: Since the Third Plenary Session of the 11th Central Committee, our province has brought order out of chaos in every front and field, and continually eliminated leftist influences. The party's fine traditions and work style are now being revived and carried forward. Although there has been a notable turn for the better in party work style in the province, it is not yet a fundamental turn for the better, and there are certain outstanding problems.

Comrade Li Ziqi said: At present we must vigorously arrest the following unhealthy practices: 1) in house building, allocation, and occupation; 2) in recruiting workers, enrolling students, recruiting soldiers, and in transferring rural household registrations to urban registrations, a few leading cadres use their powers to strike up illicit relationships and go in through the back door and violate the state policy provisions; they even submit false reports on their deeds; 3) certain people regard the areas or departments under their control as individual kingdoms and act in a tyrannical and lawless way.

Comrade Li Ziqi stressed: The key to achieving a fundamental turn for the better in party work style lies in having the party committees attach importance to the issue and getting the whole party to work on it.

NINGXIA RIBAO ON LI XUEZHI ACTIVITIES

Speaks on Office Cadre Reform

HK220941 Yinchuan NINGXIA RIBAO in Chinese 8 Jun 83 p 1

[Report: "Li Xuezhi at Cadres' Meeting Stresses Close and Proper Attention to Assigning Office Cadres"]

[Text] On the morning of 7 June, the autonomous regional CPC Committee called a rally of cadres of organs under the autonomous region, and cadres at and above the level of deputy chiefs of departments under Yinchuan City. The purpose was to mobilize forces and arrange for the structural reform of organs in the autonomous region. At the meeting, Li Xuezhi, first secretary of the autonomous regional CPC Committee, relayed the relevant documents from the CPC Central Committee and gave a report. He stressed that in the current structural reform, the emphasis must be put on paying close and proper attention to the establishment of offices and the assignment of cadres. Li Yunhe, deputy secretary of the autonomous regional CPC Committee, presided over the meeting. Hao Tingzao, deputy secretary of the autonomous regional CPC Committee, read out the "circular on opinions about the establishment of offices of organs under the autonomous region and the assignment of cadres" and gave concrete explanations about the implementation of this document.

In line with the correct arrangements by the CPC Central Committee and through the central work group's keen efforts in giving guidance and help, gratifying achievements have been scored in the structural reform of organs at the regional, prefectural, and city levels in our region. The leading groups of more than 30 departments and bureaus, 2 prefectures, and 2 cities have been staffed in line with the principle of having teams small in number but highly trained, and with the guideline of "modernization." Great progress has been made in regard to the desire age groups, educational requirements, and so forth. A relatively great improvement has been made concerning the previous situation where offices were overstaffed, the leading groups consisted of aged and undereducated people, and redundant workers had nothing to do. Now, the work of setting up offices and staffing them has been put on the agenda.

In order to direct down-to-earth and prepare efforts toward the structural reform of offices, Comrade Li Xuezhi stressed that party and government organizations at all levels must seriously study and fully understand the spirit of the relevant central documents, resolutely implement such documents, and show the spirit of daring to make reforms and to create the new in a concerted effort at all levels, so as to make proper structural reforms. We must fully understand the importance of the structural reform of offices. We must pay very close attention to the effort, and resolutely overcome the phenomenon of regarding the reform of offices as something inconsequential, taking reform as a matter of no urgency, or waiting until a reform begins to affect our work. We must persistently call for the "modernization" of cadres and take good care of matters of political, age and cultural requirements. In no way can we show the least hesitation, for that matters. In staffing leading office groups, we must correctly grasp and uphold the principle of combining ability with political integrity and insist on selecting people with the capacity for organization and leadership from among cadres of good political quality for leadership posts. We must resolutely refrain from using the "five categories of people." Some people do not fall into the "five categories," but they should not be allowed to join the leading group if they have made serious mistakes and refused to properly correct themselves. Those who have already made it into the leading group should be reassigned. Those people of poor political quality cannot be employed even if they prove capable. Some "good old people" who are mediocre where ability and political integrity are concerned must also not be promoted. We must broaden our horizons in selecting and promoting talent, so that the quality of the ranks of cadres can be improved to a relatively large degree. We must adhere to the principle requiring the party to control cadres. We must uphold party spirit and refrain from using influence to serve private ends and doing things against organizational principles. Still less must we interfere with the personnel arrangements in the structural reform. We must stand fast at our posts, show devotion to duty, and properly handle matters of reform, work and production. In no way can we relax our efforts or allow an interruption in our work and the appearance of chaos. Nor can we allow a delay in the performance of required work and in interruption in the production program. We must resolutely fight such unhealthy practices as ganging up to form factions, practicing nepotism, dividing up public property without authorization, freely deserting our duties, passively going slow in our work, and so forth. We must direct realistic and proper efforts toward ideological work involving cadres at the department level, who have retired or left their existing posts. We must make proper arrangements for them and allow them to do more thinking and planning for the benefit of reform and "modernization." We must strengthen unity between the leading groups and the ranks of cadres. New offices must be marked with a new atmosphere and must seek to create a new situation. Various departments and units must pay close attention to the reorganization of their staffs and the formulation of regulations and systems. Those personnel found redundant after a reorganization effort must follow various patterns in giving play to their role, doing so in light of concrete conditions. Through the structural reform, we must realistically improve the leadership style, raise work efficiency, properly build up party and government organs at all levels, and serve socialist modernization most effectively.

**Meets Rewi Alley**

HK240143 Yinchuan NINGXIA RIBAO in Chinese 16 Jun 83 p 1

[Report by Xing Min: "Li Xuezhi Fetes Rewi Alley, Who Is Visiting Our Region"]

[Text] Comrade Rewi Alley, a fellow fighter of the Chinese people, came from Beijing to our region on a visit. He arrived at Yinchuan by plane on 15 June.

Rewi Alley, a native of New Zealand, has been in China for more than 56 years since his arrival in April 1927. For more than half a century, Comrade Alley has all along shown sympathy and support for the revolutionary struggle of the Chinese people. In the early stage of the revolution of China, Alley risked his own safety to provide the soviet area of Jiangxi through various channels with medical and electrical and communications equipment, and covered up and supported our party's underground work. After the outbreak of the anti-Japanese war, he teamed up with the well-known American newsman Edgar Snow and others, starting an industrial cooperative movement and contributing toward efforts in support of the 8th Route Army and the New 4th Army and toward the achievement of victory in the anti-Japanese war. This earned them the respect of the people of our country and the progressive people of the world. Comrade Mao Zedong and Comrade Zhou Enlai met with Comrade Alley on many occasions and expressed praise for his work.

Since the founding of the New China, Comrade Alley has devoted himself to a movement to oppose wars of aggression and safeguard world peace. Meanwhile, he has embarked on his own writing career. Up to now, Alley has had 65 works and translated pieces published, introducing the achievements of China's revolution and construction efforts to the world. Comrade Alley's contributions to China's revolution and construction efforts are tremendous and many-sided, and span a long period of time. Comrade Deng Xiaoping spoke highly of him, calling him an "old fighter, old comrade and old friend" to the Chinese people.

Comrade Alley, who is 86, is still hale and hearty. After arriving at Yinchuan by plane at noon yesterday, full of vitality, he set out right away on a trip to the Chengtian Monastery.

At 1860 on 15 June, Li Xuezhi, first secretary of the autonomous regional CPC Committee, Hao Tingzao, deputy secretary of the autonomous region CPC Committee, and Xu Qian, first secretary of the Yinchuan City CPC Committee, met with Comrade Alley at the No. 1 Guest House of the region. Comrade Li Xuezhi gave a banquet in honor of the guest.

**QINGHAI'S ZHAO HAIFENG AT DISCIPLINE MEETING**

HK240229 Xining Qinghai Provincial Service in Mandarin 1100 GMT 23 Jun 83

[Text] The 10-day provincial discipline inspection work conference held by the provincial party committee concluded on 21 June. Comrades attending the conference earnestly studied the party central leadership's important instruction on rectifying the style of the party. They held that unhealthy tendencies inside the party violate the interests of the party and the people. Our actions to rectify the style of the party are in the interests of the masses inside and outside the party and are widely supported by most party members and the public. As long as we work hard in this field, it is possible to quickly bring about a fundamental turn for the better in the style of the party.

Comrades generally held in their discussions that since the 3d Plenary Session of the 11th CPC Central Committee, unhealthy tendencies inside the party in our province have been checked because we have earnestly implemented the regulations governing the party life, studied the party Constitution, conducted the three educations, dealt with discipline-violating cases, and cracked down on serious crimes in the economic field. At the same time, healthy trends are in the ascendant and the style of the party has improved. However, the present situation with regard to the style of the party in our province is still far from attaining the objective of bringing about a fundamental turn for the better in this field. Many problems caused by incongruities in ideology, style of work, and organizations have not been properly solved. Unhealthy tendencies and lawbreaking cases still seriously exist in some localities and units. Party committees and discipline inspection departments at all levels can never become unrealistically optimistic before their initial achievements. They must pay close attention to the work of rectifying the style of the party.

The conference stressed: At present, it is imperative to correct the incompetent and perfunctory manner of some party organizations and leaders when dealing with unhealthy tendencies and lawbreaking actions. Only thus can the style of the party be improved.

The conference called for party committees at and above county level to inspect and report the situation in the style of the party in the first half of this year according to the party central leadership's instruction. They are required to deal with a number of serious cases in which law and discipline have been violated and which have evoked deep resentment from the masses. They must continue to crack down on serious criminal activities in the economic field. Organs in charge of discipline inspection work should be perfected, competent cadres should be appointed to work in these organs.

Leading comrades of the provincial party committee Zhao Haifeng; Ma Wanli, and Huanjiecailang attended the conference and made speeches.

WANG ENMAO SAYS XINJIANG SUCCESS DUE TO 'UNITY'

HK240309 Beijing CHINA DAILY in English 24 Jun 83 p 3

[Text] "The Han and other nationalities cannot be separated," Wang Enmao, head of the Xinjiang delegation to the present National People's Congress (NPC), told CHINA DAILY. "Present unity is a sign of our success in carrying out the party's nationalities policies over the past two years."

Wang pointed out that the nationwide census last year revealed that there are more than 30 nationalities in the Xinjiang Uygur Autonomous Region, not 13 as previously believed.

The Uygurs, with some 5.95 million people, are the largest. The Hans, with about 5.3 million, are next. Xinjiang, which occupies about one sixth of Chinese territory, has a total population of 13.81 million.

National unity, Wang said, has resulted from "five mutuals" -- mutual trust, respect, support, study and understanding. "Unity has first of all brought safety to the frontiers," Wang said.

Xiajiang has longer borders with foreign nations -- the USSR, Mongolia, India and Pakistan, even a tiny bit of Afghanistan -- than with Chinese provinces.

"Unity helped the region last year to increase grain output by 4.5 percent to 3.965 million tons; gross industrial production by 12.76 percent to 4.64 billion yuan; cotton by 28.6 percent to 146,000 tons; and foreign trade purchase by 45.7 percent to 290.69 million yuan.

Wang said that 1982 was one of Xinjiang's best ever. The yearly income of the 2.6 million state employees, (government and factory workers) averaged 941 yuan with prices lower than in inland cities back east.

With political stability and prosperity, the people are now concentrating on tapping Xinjiang's vast resources, including hydropower, estimated at a potential 32 million kilowatts; crude oil, expected to reach 20 million tons per year by 2000; coal, with estimated reserves of 1,600 billion tons, or 37 percent of China's total reserves; of unused arable land, some 6-10 million hectares; and of pasture land, more than 47 million hectares.

Wang said that Xinjiang's water resources are richer than the Yellow, Huai and Hai Rivers put together. Wang is the party's first secretary for the region and commander-in-chief of the Xinjiang Military Region, which also includes part of the border area of Tibet.

He went to Xinjiang in 1949 and has been there ever since except for brief absences in 1969 during the "Cultural Revolution" when he was a lathe turner in Beijing's February 7 Locomotive Works; in 1982, when he was the party's deputy secretary in Wuhu Prefecture of Anhui Province; and in 1975, when he was deputy political commissar of the Nanjing Military Region. Now 70, he is a seven-days-a-week worker with no hobbies.

Though a born army man, he was able to handle diplomatically local political differences in 1981 leading up to a successful regional assembly last November based on the theme of unity.

"My motto," Wang said, "is: 'Have faith in the majority and follow practical, realistic working methods.'"

#### BRIEFS

QINGHAI LEAD-ZINC MINE -- Xining, 17 Jun (XINHUA) -- Construction of a large lead-zinc mine has started in the Qaidam Basin, Qinghai Province, according to the provincial metallurgical department. The mine -- one of China's key construction projects for the nonferrous metal industry -- is designed to have an annual ore-dressing capacity of 1 million tons. Upon completion in 1986, it will be able to produce more than 60,000 tons of lead and zinc and 200,000 tons of sulphur concentrates a year. Construction of the mine -- located about 3,100 meters above sea level -- includes an ore dressing plant, power plant, pits and tunnels. Construction of water and power supply facilities and a special railway was completed before the main part of the project began. [Text] [Beijing XINHUA in English 1355 GMT 17 Jun 83 OW]

SHANNXI RECORD WHEAT HARVEST -- Xian, 17 Jun (XINHUA) -- Shaanxi Province expects a record harvest of 5 million tons of wheat and other summer grain -- compared with 4.1 million tons last year -- according to the provincial agricultural department. To date, nearly half the 1.92 million hectares of summer crops in the northwest province have been harvested. Output rose 10 to 20 percent in formerly low yield areas, especially the 23 counties north of the Weihe, where successful dry farming has been undertaken. In the central plain of the province, a major wheat producer, peasants used more fine seeds and fertilizer following the introduction of the beneficial household responsibility system of agricultural production. [Text] [Beijing XINHUA in English 1440 GMT 17 Jun 83 OW]

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